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Canadian Mining News Department Page 16

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The Nation's Business

Cabinets Should be Made Up of Administrators
No Place for Mere Politicians
Some Able Men Available

POLITICAL DEVELOPMENTS

THE three major developments of the election campaign would appear to be:

(1) The committal of the Liberal party to Empire Trade development, opposed for many years by some of their important leaders.

(2) The committal of the farmers to a protective policy, as shown by the vote for an import tax on New Zealand butter.

(3) The committal of the Conservatives to a policy of offering preferences, not as a free gift but, in exchange for other preferences and trade advantages.

All three have been among the basic policies which The Financial Post has persistently fought for over a score of years.

* * *

THE FINANCIAL POST has said all along that the farmers were not unfavorable to reasonable all-round protection. It has fought for this, and because of its fight was boycotted by the narrow-visioned men in control of the Canadian Manufacturers' Association, who for years regarded the farmer as unfriendly and of no importance. It has been strongly back of the Australian treaty and against that phase of the Conservative policy. It supported the treaty because it gave, mainly to our papermakers, very great advantages. Mr. Robb had to fight with his back to the wall in Australia and again here and in London to secure them. British officialdom opposed him. Suppose these paper preferentials were wiped out? Russia would assuredly get the Australasian and New Zealand markets. There would be less paper-making, especially in British Columbia. This would mean less employment; therefore, less demand not only for Canadian butter but for all farm produce, and all made-in-Canada products. The whole situation will require most intelligent handling.

* *

THE FINANCIAL POST welcomed the Dunning preferences as an evidence of the conversion of Mr. King and the whole Liberal party to the Imperial trade policy. It said the preferences were a great advertising stunt, but should not have been offered as a free gift but as a basis for negotiation. This policy the Conservatives adopted and the electorate endorsed.

* * *

TWO other political developments which The Financial Post has advocated all these years are:

(1) That cabinets, national and provincial, should be formed from men picked from the nation at large because of their proven administrative and constructive capacity in their own special fields; whose whole time would be given to the serious work of their department; who would not be compelled to waste thought and time on petty politics or be harassed by them, who would be represented in parliament by M.P.'s and senators as chairmen of committees, handling the political side. These chairmen would receive the same income as cabinet ministers now receive and could perform in the House and on the platform all the oratorical devices that please hearers full of academic ideals but lacking practical ideas. These chairmen would be nominally the heads of different phases of activity in this country, but back of them, advising them, guiding them would be the great, able, practical, experienced leaders, working hard and undisturbed in their departments.

(2) That while the country needs and must maintain its protective policy and make increases where necessary, that is not enough. Canadians engaged in agriculture, commerce, industry, the professions, science, etc., must be aided and trained to take advantage of that protection and our natural resources to the fullest extent. They must have available the latest information from the world's best sources, which is to be found only in the newspaper and periodicals covering these fields.

We send hundreds of thousands of dollars abroad for products that could be made here if our people knew how. Hitherto Ottawa has not co-operated but has handicapped the circulation of this type of literature; even taxing some of the most valuable foreign technical publications.

OUR present cabinet system calls for a farmer politician to head the department of agriculture. Past experience has shown a long list of men of splendid character, sincere, earnest, with a fair knowledge of farming and the farmer's problems; but with the exception of Sir John Carling, the greatest of our ministers of agriculture, none of them, as far as can be recalled, had any executive experience. Sir John was a successful manufacturer. It is not a farmer, no matter how good a man he may be personally, but a great executive that is needed for that department today.

The same argument applies to the department of trade and commerce and of labor. Commonsense would suggest that the department of labor should concern itself largely with employment problems, providing and directing employment. Immigration could now well be put in that department. But can an employee—provided with his life to having work provided for him, dependent upon employers for finding the work—or can a splendid labor leader who has devoted his life to the good work of improving working conditions and securing

(Continued on page 2, col. 3)

BORDEN PLANS ON CITY DAIRY NOT CERTAINTY

Directors Approve, But 26 Per Cent Opposition Would Block Sale

COMPETITION FEARED

Believed Shareholders Would Do Better in U.S. Organization Now in Great Era of Growth

The special meeting of shareholders of City Dairy Co. to consider the proposal of Borden Co. to acquire the business will be held probably about August 21.

Formal notice of the offer of seven shares of Borden Co. for eight of City Dairy common, and $135 cash for each share of City Dairy preferred probably will be mailed to shareholders on August 9 or August 11, giving the required ten days' notice.

Deal Not Certain

In the opinion of those conversant with the affairs of the company, it is by no means a foregone conclusion that the offer will be accepted. The offer will have the recommendation of the directors, of whom S. J. Moore is chairman, but it has been intimated from an official source that the directors are prepared to carry on as at present if there is any considerable body of shareholders opposed to the deal which will place City Dairy in the role of an operating unit of a United States organization.

Difficulties of operation and the improbability that City Dairy in the future can do as well by its shareholders as can the world-wide Borden organization are the two main reasons why the directors of City Dairy believe that a sale at this time is advisable. It is admitted that City Dairy in the past has done better by its shareholders than has the Borden Co., but it is contended that conditions in the dairy business in Toronto and vicinity are such that it is impossible that City Dairy can duplicate its performance.

On the other hand, it is pointed out that Borden Co. is only now embarked on an era of expanding earnings which would mean a great deal for the shareholders of that company.

Borden Already In

From the same source as comes this information, the opinion is expressed that Canadians in general should not have the same objection in the Borden Co. as might be justifiable in the case of some other foreign companies seeking a foothold in this country.

It is declared that it is the policy of the Borden Co. to invest heavily in this country and that if the company came here for the purpose of opening a branch plant it would be welcomed with open arms. It is contended that there is no difference in the outright purchase of a Canadian company, which will continue in operation.

The Borden Co., it is understood, will endeavor to retain and to add to its list of shareholders in this country and that this policy best can be facilitated by seeing to it that an active market for the Borden stock is maintained on the Toronto exchange if and when City Dairy is absorbed and the shares of that company withdrawn from the Canadian exchange.

The Borden Co. already has heavy investments in Canada, especially in Quebec and in Hamilton and in Caulfield's dairy has a foothold in Toronto. It is said that the Borden Co. plans to make this country an increasingly important place of manufacture for the export market, leaving the plants in the United States largely devoted to the domestic business.

This policy, it is pointed out, undoubtedly would be more effective if an Empire trade policy is developed which will promote Canada's trade with Britain and with other British countries.

Old employees of City Dairy are provided for in the agreement.

These facts and opinions, it is believed, largely dispose of the senti-

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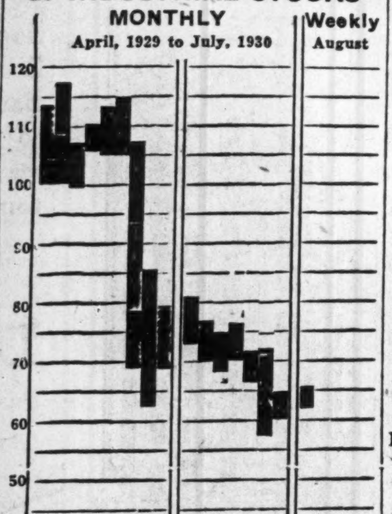
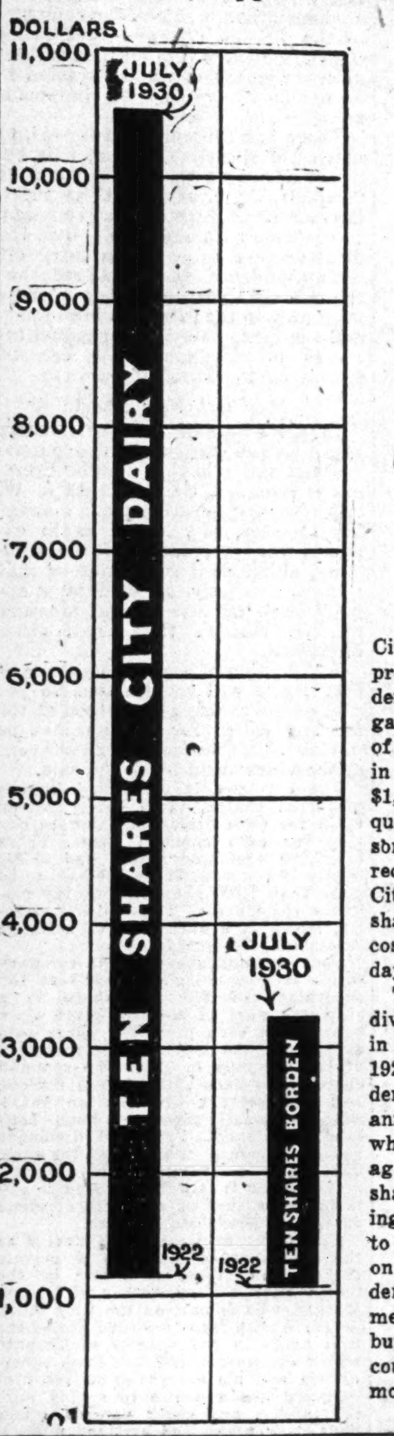
Stock Market

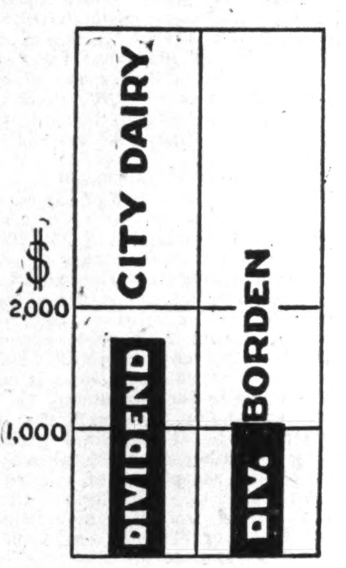


MARKET INDICATOR

	High	Low
20 Industrial Stocks		
Week of Aug. 5	65.1	62.8
Week of July 29	64.8	62.1
Month of August, 1929	121.2	104.0
8 Bank Stocks		
Week of Aug. 5	253	251
Week of July 29	253	251
Month of August, 1929	298	289
10 Public Utilities		
Week of Aug. 5	91.0	89.2
Week of July 29	91	89
Month of August, 1929	[illegible]	[illegible]

Dividends, Appreciation Greater in City Dairy





These charts show that since 1922 City Dairy has been a much more profitable investment than has Borden Co., the great United States organization which now seeks control of City Dairy. Ten shares of Borden in 1922 were worth, on the average, $1,070 and these shares, with subsequent splits, would now be worth some $3,200. This is an excellent record, but not one to compare with City Dairy's record. In 1922, ten shares of City Dairy would have cost, on the average, $1,190, and today would be worth about $10,500.

The smaller chart shows the total dividends paid on ten shares of stock in each of these companies since 1922. In this period City Dairy dividends have averaged 15.2 per cent annually on the initial investment, whereas Borden dividends have averaged about 8.5 per cent. City Dairy shareholders will be asked at a meeting this month to decide if they wish to go into the larger organization, on the basis of seven shares of Borden for eight of city Dairy. The immediate return on Borden is higher, but it is understood that City Dairy could pay $3 per share on the common.

DAIRY CORP. CL. "A" SHARES EARNING $3.60

Offer Four Shares for Five Edmonton Dairy Minority Common

Dairy Corp. of Canada is offering four shares of its Class "A" stock for every five shares of Edmonton City Dairy common stock which have not yet been exchanged. Dairy Corp. of Canada holds 24,000 out of 30,000 shares outstanding of Edmonton City Dairy common stock, and this offer is being made in an effort to acquire 100 per cent control. This offer values Dairy Corp. Class "A" stock at $25 and Edmonton City Dairy common at $20, the latter having been purchased in 1929 at $18 a share.

It is interesting to note that Edmonton City Dairy Co. shareholders are informed by J. A. Caulder, president and managing director of Dairy Corp. of Canada, that the earnings of Dairy Corp. from its inception in 1929 to December 31, 1930, are estimated at from $3 to $4 a share on the Class "A" stock. This is more than Edmonton City Dairy is expected to make this year on the common stock, and shareholders are urged therefore to take advantage of the offer especially as the new stock will be based on operations of companies established in various parts of Canada, thus diversifying the risk attached to common shares.

Has Operated One Year

Dairy Corp. of Canada was incorporated on July 15, 1929, to acquire the controlling interest in Edmonton City Dairy and Montreal Dairy Co. Subsequently control of other companies was acquired as well as complete ownership of Purity Dairy (Regina) and Purity Ice Cream

(Continued on page 2, col. 4)

MORE CHANGES STEWART GROUP ARE EXPECTED

Charles W. Band Elected President Maple Leaf Milling Co.

Resignation of James Stewart as president of Maple Leaf Milling Co., election of Charles W. Band to take his place and continued rumors with regard to changes pending or accomplished in the personnel of officials of Alberta Pacific Grain Co., made a major topic of discussion in financial circles during the last week. One week ago it was stated that no change had been made other than that necessitated by the retirement of A. R. Macdonald as manager. Two days later came the news of the retirement of Mr. Stewart.

So far as Alberta Pacific Grain Co. is concerned, The Financial Post is informed from one source that the company's position is somewhat better than current rumors suppose. The fiscal year ended June 30 and it may be two months before the annual report is available. There have been losses undoubtedly during the year and it is probable that the company did not have net profits sufficient to pay the preferred dividends. In view of the strong working capital and reserve position shown in the previous year, however, it is believed that the company can conservatively continue the payment of these dividends until its earning position shows a complete recovery.

Maple Leaf Milling Co. is also understood to be in a strong financial position in spite of all the reverses natural to the fluctuating grain values of the last year. Reassuring statements have been made with regard to this company as well as with regard to Alberta Pacific Grain Co.,

(Continued on page 2, col. 5)

Can. Car War Claim Hearing Next Month

From Our Own Correspondent

MONTREAL.—Final hearing on Canadian Car & Foundry Co.'s war reparation claim will come up before the mixed claims court at Washington next month. It is to be hoped that a decision will be given shortly after the hearing, but the introduction of further evidence may mean further postponement of a decision. In any event, it is expected that the matter will be settled, one way or the other, before many months have passed.

Canadian Car's war claim was instituted several years ago, when the company asked for compensation on its American plant, presumably destroyed by German agents. At one time the case had been settled, but the death of the presiding judge made it necessary to re-hear the case. This has been going on for some months.

Not long ago Canadian Car strengthened its case by the introduction of a witness named Harmon, who, it is alleged, employed agents to destroy the plant. German representatives asked for a delay in the court proceedings while they could get in touch with their principals, and this was granted. The case was resumed a few months ago, and again put off until next month.

Originally the claim of Canadian Car was for approximately $11,000,000. In the meantime cumulative interest has run the figure far beyond that amount. Though it is hardly expected that the company will secure the full award it is considered likely that the company will be awarded about $6,000,000. After payment of incidental expenses and commission, the net amount accruing to the company would place Canadian Car in a stronger financial position. Though the directors have taken no action on the matter, it is currently reported that if the award is given to the company, the money received will be set aside in a special reserve, income from which will go towards paying dividends on the preferred stock.

G.T.R. HOLDERS OUT TO ACQUIRE ALL U. S. LINES

Claim Canada Had No Right to Put Them in C. N. R.

BIG SUIT IMPENDS

Advice of Former Solicitor-General of United States Sought in Claim Against Canadian People

British holders of the first and second perpetual preference stocks of the Grand Trunk Railway are considering entering action in the United States courts to have title to the Canadian National lines in the United States vested in them on the ground that they were illegally acquired by the Canadian people. Representatve James M. Beck, of Pennsylvania, former solicitor general of the United States, has been retained by the Grand Trunk stockholders to study their claim and any action taken will likely be based upon his advice.

The Grand Trunk perpetual stockholders committee has published an opinion by J. Arthur Barratt, K.C., LL.B., of the United States Supreme Court Bar, now of London, on their rights under United States law. Mr. Barratt's opinion is that the proceedings under which the 6,000 first and second preference stockholders were struck off the British registry of the company and their shares transferred to the Canadian government were not legal under the United States law and therefore can not govern their rights to any property of the Grand Trunk Railway in the United States. Even if the arbitration award and the legislation passed by Canada to implement that award were considered binding in Canada it can not be considered binding in the States, is the purport of Mr. Barratt's lengthy opinion now published. Mr. Barratt states:

"The rights of the First and Second Preference Stockholders, in their property in the U. S. A., still subsist, and they can bring action in the U. S. courts for the protection of enforcement of the same.

"It is, of course, unfortunate that they have delayed so long in bringing action, but the same can be brought in the federal courts in any state where the Grand Trunk Railway has property in the U. S. A., to restrain any company or individual from enforcing rights alleged to be acquired under the judgment of the privy council to the injury of the said rights of the said stockholders in any of said property."

Must Explain Delay

His opinion however adds:

"Any proceedings must be in equity and to meet the defence of laches or delay, they must show 'conscience,' 'good faith," and 'reasonable diligence.' This 'varies with the peculiar circumstances of each case' and there is no 'arbitrary rule' to be applied."

The opinion of Mr. Beck is sought by the committee representating the 6,000 first and second stockholders. They have now completely disassociated themselves from the third preference and the ordinary stockholders, who number about 14,000 and whose shares, equally with the first and second preference shares, were stated by the majority award of the G.T.R. arbitration board to be of no value. The senior stockholders consider that their claim is stronger than that of the junior stockholders in that their perpetual shares were issued some eighty years ago in exchange for prior lien bonds which they then held and because, they claim, they were never parties to the arbitration.

The original holders agreed to the 1862-3 exchange to facilitate the further financing of the Grand Trunk. The present stockholders contend that the arbitrators never knew that the issues were originally prior liens on the property of the Grand Trunk. They contend that their shares could not be changed on the registry of the company from their names to the name of some designee of the Canadian government without their consent; that the award of the arbitration board, declaring the shares valueless did not give the Canadian government the right to make such a transfer as the perpetual stockholders were never parties to the arbitration and that, therefore, the stockholders in equity still are the owners of their shares

Moreover, they contend that as they have never been parties to any agreement for the transfer of their shares to the Canadian people that they have not lost their rights to sue for the recovery of their alleged rights in any court having jurisdiction over any portion of the railway

In connection with the impending United States suit, R. C. Hawkin, chairman of the perpetual stockholders committee, is now on this continent and was a visitor in Toronto this week. Mr. Hawkin will likely endeavor to discuss the G.T.R. stockholders claims with the new prime minister and his minister of railways when appointed.

Mr. Hawkin, in a statement made to The Financial Post said that his committee was not associated with Lord Askwith's appeal to the British Privy Council against Mr. Lapointe's refusal of a fiat.

Mr. Hawkin adds, "In the pamphlet sent last February to every member of Canadian parliament the case of the perpetual stockholders is shown in the letter of December 9 last addressed to Sir Henry Thornton, and again in the letter to Mr. Crerar.

"The preference stockholders made no agreement to accept the arbitration price and our perpetual rights were not pleaded either at the arbitration, or before the Privy Council or in Lord Askwith's application for a fiat."

May Require Pools To Hedge in Market To Get Bank Credit

No Assurance Yet That Western Provinces Out of Woods

NO GUARANTEES

Prairie Premiers Unlikely to Grant Further Guarantees to Pools—Loans on Business Basis

Meetings are in progress this week between Premiers Bracken, Anderson and Brownlee, bank officials from Winnipeg and general managers of leading Canadian banks on the subject of wheat pool finance.

Before authorizing the basis of loans to the wheat pool for the coming crop, the banks desire to know how the western provinces intend to implement the guarantees they undertook last February of loans made on last year's crop. Although a misleading dispatch emanating from Ottawa last week and apparently based on a misconception of some remarks made there by a wheat pool official, created the impression that the provinces would suffer no loss in connection with their guarantees, it is a matter of common knowledge in banking circles that very considerable payments will have to be met by the western governments unless there is some remarkable change in grain prices before the balance of the 1929 crop is disposed of. Under the terms of the guarantee the provinces do not become liable until the last of the 1929 crop is sold, and in no case are the banks to force the sale of any grain of that crop before November 1 of this year.

Overlapping of the marketing of last year's crop, loans of which are covered by guarantees, creates some technical difficulties in connection with liquidation of the guaranteed loans, which are to be ironed out. The premiers have been under some pressure to continue the guarantee system for the coming year, but are not likely to accede. Failing such guarantees, it is understood the banks are determined to make their loans on a strictly business basis, involving protection, not only against loss, but against having too large a proportion of their funds tied up. One plan said to be under consideration is insistence upon the pool's making full use of the hedging machinery provided by the open market, but liquidation of the old crop creates some difficulties in this connection. The plan of having the provinces guarantee bonds issues based on the pool elevators in return for their release from guarantees to the banks has been canvassed, but present uncertainty as to the extent of provincial liability seems to bar this as an immediate expedient.

Provincial guarantees cover only loans made by the banks to the pool up to the end of July. At the present time pool payments to members delivering grain are based on 70 cents a bushel for wheat, and correspondingly low prices for other grains, but this is understood to be merely a temporary arrangement. After the banks and the premiers have concluded their discussions definite basis for the new crop is still to be established by negotiations between the banks and the pools.

CANADA STEAMERS OUTLOOK BETTERS FOR GRAIN TRAFFIC

More Hopeful of Handling Good Volume Before Freeze-Up

From Our Own Correspondent

MONTREAL.—With an improvement in export demand and prospects for early movement of the grain crop, Canada Steamship Lines are looking forward to more active conditions in the bulk freight business.

Through a series of uncontrollable setbacks, Canada Steamships position has been weakened. It will be recalled that the grain movement fell off badly last year, and the expected improvement did not take place during the spring. Consequently there has been little or no movement of the bulk freighters since the opening of navigation. The effect of this upon the company's finances can be readily appreciated, bulk freighters provide the major share of the company's revenue.

Other Branches Active

Offsetting this setback, is a maintenance, and in some instance an increase, in other activities of the company. Passenger traffic has kept up well this year; large parties have been moved on the company's passenger steamers through the Great Lakes and along the St. Lawrence River. Hotel business has been on a satisfactory basis, registrations at the Manoir Richelieu and Hotel Tadoussac comparing favorably with those recorded last year.

Encouraging results have been recorded by the package freight business. Considerable attention has been devoted to this branch of operations, and the volume of traffic handled, has grown steadily.

Canada Steamship Lines' subsidiaries have been getting along satisfactorily. Davis Shipbuilding is now working on a large order for a car ferry to operate between the mainland and Prince Edward Island. Midland shipbuilding has been doing only fairly well. Century Coal Co. has been handling a smaller volume of coal due to the limited demand from the company's own steamers,

(Continued on page, 2, col. 6)

Famous Players Can. To Show Warner Films

From Our Own Correspondent

NEW YORK.—A deal has been consummated with Famous Players Canadian Corp. whereby all Warner Bros., first national and vitaphone attractions will be shown in Canadian theatres owned and operated by Famous Players Canadian.

Arthur Cohen, managing director Famous Players Canadian Corp., informed a representative of The Financial Post that the foregoing despatch is approximately correct if the word "all" is eliminated from it. He said that arrangements had been made to show a selected list of these pictures in Canadian theatres.

TEXTILE MEN WILL CONFER IN SEPTEMBER

To Seek Solution of Various Problems of Industry

From Our Own Correspondent

MONTREAL. — Manufacturers in the various branches of the textile industry in Canada will forgather at Ottawa in September. The purpose of the meeting will be the discussion of marketing and distribution. The conference, coupled with the change of government and a chance of some favorable revision in the existing tariff regulations, is seen as a hopeful sign in the affairs of the much harassed textile industry in Canada.

The meeting was formerly scheduled to take place in June but was postponed until after the general election. Now the affairs of government have been definitely settled, it has been decided to call the conference and go ahead with former plans. It will be no ordinary conference but a determined effort to find a way out of the difficulties which confront the industry.

While the world textile situation shows little improvement, this meeting of textile and clothing men is constructive. Those vital factors, market and distribution, will be discussed from all angles by representative members of an industry which has suffered materially in the past few years.

Might Establish Bureau

It may be that a central bureau will be established along similar lines on which the Cotton Textile Institute in the United States is operating. This organization has met with success and has done a good deal toward co-ordinating the activities of the various cotton manufacturers. It disseminates useful information and statistics and altogether has carried out good work in furthering the interests of the cotton manufacturers.

Such a bureau might operate with good effects in Canada. It would act as a clearing house for ideas and a medium for the dissemination of data and statistics in co-operation with the Dominion Bureau of Statistics. There seems little doubt that the establishment of such a body will be discussed at the forthcoming meet.

Perhaps the conference will result in manufacturers reaching some agreement in regard to the much discussed question of tariffs. Though there may have been a tendency to over rate this angle of the situation in the past, there is no doubt that manufacturers place much faith in benefits which might accrue from a favorable revision of tariffs.

Holds Divergent Views

One of the unfortunate problems of the industry is that it embodies different views on the tariff. Knit goods manufacturers welcome free yarn from abroad though Canadian woollen manufacturers have been forced to close their yarn spinning mills since they cannot compete with imported yarns.

One of the greatest benefits which may result from the meeting would be the ability of the textile manufacturers to present a more united front to the government in petitioning for their various needs. The cotton and woollen manufacturers have greeted the change in government with enthusiasm for in it they see a possibility of tariff revisions.

Dominion Textile Co.'s shares gained 10 points in anticipation of the election of a Conservative government—a factor which clearly indicates the hope for an improvement in the situation surrounding the affairs of the company.

Presidents of the cotton companies have referred repeatedly to the trials of their companies under existing tariff regulations. They have said that the low tariff allows foreign goods to enter Canada and be sold in the country at dumping prices. A reflection of this is seen in the financial statements of the cotton manufacturers. These have shown wide decreases in the past few years.

Dumping Hurts Profits

Undoubtedly the cotton companies have had a hard road to travel. It has been impossible to compete with goods dumped in Canada and sold at absurdly low prices. The cotton companies have maintained a good volume of production, but in most cases they have been forced to dispose of some of their production at

(Continued on page 2, col. 5)

PUBLIC SHUNS ROAD SHOWS WANTS TALKIE

Famous Players Canadian Closes Unprofitable Booking Office

STAGE SHOW FINISHED

Patrons Think 65-Cent Sound Picture Better Entertainment Than $2 "Legitimate"

"Famous Players Canadian Corp. has closed its booking office for stage shows simply because the public has decided the matter for them," said Arthur Cohen, managing director Famous Players Canadian Corp., when asked concerning recent criticism that the company's action had deprived Canadians of the opportunity of seeing plays by various travelling companies.

"It is not the company which is forcing Canadians to give up road shows in favor of talkies. The public decided the matter for itself and evince a decided preference for paying from 50 to 65 cents to see a good talkie rather than $2 to see what is too often an inferior stage show.

Same Thing Happens Everywhere

"They have been able to see even in small places in Canada such talking pictures as Disraeli, Interference and Journey's End, and the entertainment they get is so much superior to the average travelling show that they refuse to go to the latter. We are in the entertainment business primarily and we would have kept open our booking office if the public would have patronized the shows but they didn't. The travelling show has been dying ever since the talkie came in and we closed the office because the business was no longer profitable.

"It is no use lamenting the fact. The same thing is happening all over the world. The public is apathetic toward the second-rate stage show, poorly staged and presented. And even the better shows such as the D'Oyly Carte Light Opera Co. have not had such a profitable experience outside of the larger cities."

"Legitimate" Can Still Show

"It is claimed that they can no longer show in Canada as a result of the almost complete control which Famous Players Canadian has of theatres in Canada? Is that true?" he was asked.

"It is not true," Mr. Cohen answered, "We have closed our booking office but we would be happy to give that company any opportunity it desires to give performances through Canada. It has not asked for booking arrangements. In fact, only one company, the Dumbells, has asked for booking arrangements through Canada; and we have been able to help them. These large companies will not tour Canada because they cannot make enough money at it now. The best probably make a little money in Montreal and Toronto and then lose the profit thus made on tour. If they wish it, there are still legitimate theatres owned by us which can be used by any company which can make profitable and good use of them. The theatres available are still there except in cases like Vancouver where we sold the 'legitimate' theatre to business interests. There the arrangements would have to be made with others than ourselves."

"It is only confusing the issue to say as some do that this is a measure introduced by Famous Players Canadian because control has gone to

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CUSTOM TAILORING DEPARTMENT

THE T. EATON CO LIMITED

DIST.-SEAGRAMS SALES MOOTED TO BE HIGHER

Atlantic Business Shows Increase Over Last Year

DETROIT TRADE ENDS

Elimination of Profitable Market May Find Reflection in Earnings

From Our Own Correspondent

MONTREAL.—It is reported that sales of Distillers Corporation-Seagrams, Ltd., during the 12 month period ended July 31 were in excess of those of the previous year. Due to its strategic position in respect to newer channels of liquor trade, it is said that the company has done well in the Atlantic business; shipments to French, British and independent countries in the Gulf of the St. Lawrence having shown gains.

Distribution through these channels should offset any declines which have occurred in shipments direct to the United States. Traffic over the Detroit River has ceased and by the Government's decision to prohibit clearance to the States, the liquor companies have lost what constituted a profitable source of business.

Thus, though there is little doubt that the company has experienced a good volume of sales during the past fiscal year, it must be remembered that the substantial profits accruing from shipments to the United States were eliminated during the past few months. Though no information is forthcoming, it is also possible that domestic business has fallen off to some extent as a reflection of business hesitancy.

Publish Report Soon

The annual report of Distillers Corp.-Seagrams was published in October, 1929, and the statement for the year just closed may be expected to make its appearance about the same date. What it will reveal has not been disclosed; the company does not publish any interim earnings reports.

The forthcoming annual report will contain an interesting feature, for it is expected that the directors will make known to shareholders their plans for liquidating the loans which are still carried on the company's books.

These loans amounted to $1,953,111 at July 31, 1929, while the liability under contract taken over from Joseph E. Seagram & Sons amounted to $807,373. The loans were made by two of the company's shareholders, the Bronfman interests and Distillers Company.

The original plan as set forth in the last annual report was to extinguish these loans by the issuance of 350,000 shares of additional stock. Shareholders were to be offered one new share for each five held at $12 a share. In this way 300,000 shares would have been taken up. The remaining 50,000 shares were to be sold at the discretion of the directors at not less than $12 a share.

It was the intention of Distillers Company and the Bronfman interests to eliminate their loans by subscribing to the new stock issue. In all then it was expected to raise about $4,200,000. After liquidating all loans and paying the Seagram liability, there would have remained $1,430,000 for working capital.

However, from the moment the offer was made the stock began to decline marketwise, due to general market conditions. It has not recovered and though Distillers-Seagram shares have occasionally touched 12 since that time, it has not been feasible to place the plan of stock rights into effect.

The possibility of a merger with one of the other liquor companies cannot be entirely discounted. There were negotiations in the industry toward merging last year but whether such an occurrence has been considered recently is not known.

A consolidation in the distilling industry would eliminate a good deal of high cost competitive advertising while various other economies might be effected. However, both Hiram Walker and Distillers-Seagrams have been carrying out extensive expansion to their properties and are both well established in their respective fields.

Distillers Corp. has built up a good market for higher grade whiskies for which it has the exclusive rights in Canada. These rights it obtained through its valuable affiliation with the parent company, Distillers Company of Great Britain.

Imports in Bulk

Distillers Corp. imports in bulk from Great Britain and blends and bottles the finished product in its distilleries in Canada. The product distilled in Montreal is under the supervision of inspectors sent out from the British plant and is claimed to be identical with the imported product. Substantial increases in distribution have resulted from the ability of the company to make a price reduction through blending and bottling in Canada.

For the twelve months ended July 31, 1929, the company reported earnings of $2,562,324 which after all deductions were equal to $1.52 a share on the 1,500,006 shares of common stock outstanding. The current quotation on the Montreal Curb Market for shares of Distillers Corp. is about 9.

PUBLIC SHUNS ROAD SHOWS; WANTS TALKIE

(Continued from page 1)

Paramount Publix. As a matter of fact the action in closing the booking office was taken by myself simply because it proved unprofitable. It was no use keeping it open to satisfy a few stage shows which cannot make a living under present conditions anyway. We cannot be philanthropists though we did find it necessary to finance some of the companies and lost money doing it. There were only eight of these companies last year which wished to tour Canada."

NATION'S BUSINESS

(Continued from page 1)

higher pay, giving no thought to developing employment, be expected to make any sort of success of the national job of creating employment through developing agriculture, commerce, industry, mining and other directions in which employment may be permanently secured?

* * *

MR. BENNETT has a great opportunity to give Canada such a cabinet. No party leader has ever had such an opportunity supported by conditions as they are today. Will he rise to it? There was a story that he had invited C. E. Neill, managing director of the Royal Bank, to be minister of finance. Mr. Neill is not only one of the best type of Canadian business men, but he is something of a politician and statesman as well. He began life in his father's hardware store in New Brunswick. He came into the national eye before the Banking Committee on renewal of charters some years ago. His frankness and sincerity captivated a committee previously very antagonistic and suspicious.

Another excellent suggestion by Mr. Bennett is T. A. Russell for agriculture. Few men know successful commerce, industry and agriculture as well as Mr. Russell, head of Willys-Overland, farmer and one of the most successful livestock breeders in Canada. He is a man of high character and first class ability. But Mr. Russell seems unlikely to take the post now. He was offered it but was forced by personal business to refuse.

Of the good men in the House, R. C. Mathews is mentioned for minister of national revenue. It will take a mighty good man to fill Mr. Euler's place. It requires high character and courage as well as ability and these are Mr. Mathews' outstanding qualities.

Hon. Mr. Stevens is spoken of for the department of trade and commerce. In Parliament and for the short time he was minister of customs he created an unusually good impression with his capacity for doing things and getting things done. He put fear into the law breakers. He laid the foundations for the reconstruction of his department.

If Mr. Bennett will fill his important offices with men of this type he can start Canada on the greatest era of assured prosperity with a feeling that we can build up Empire trade and hold our own with German-French-Russian-mid-European competition.

* * *

AS THE Financial Post sees the world situation today, we are working against the most tremendous competition. An example of this is seen in the development of Russia under German inspiration and, to a great extent German direction. Russia is handpicking the world for the ablest men with outstanding experience in their particular field, and is already contesting our supremacy in two of our great exports, wheat and pulp.

A cabinet composed of men selected for their political services can hardly be expected to give Canada real leadership in facing such world competition.

* * *

R-100 FLIGHT PORTENT OF EMPIRE

MANY Canadians have been disappointed in the R-100. The ship took longer to get started from Britain than they counted on. It took longer to cross the Atlantic than they expected. A windstorm, that to the average man seemed an ordinary occurrence, upset the airship's schedules for Canadian visits. The Atlantic crossing seemed to have demonstrated very little on the constructive side considering the enormous sums that have been spent to date on experimenting with and constructing the R-100 and the R-101.

* * *

YET this is a very superficial view. Every setback that the R-100 has had has added something to aeronautical knowledge. A great German expert says that these British ships are the safest conveyances on land or sea or in the air that human ingenuity has yet devised. This is in itself a great accomplishment. Britain came late to the lighter-than-air game. As Lord Thomson, secretary of state for air, told the British Imperial Press Conference on June 27 last, the Germans were airship experts thirty years before Britain entered the field.

The Graf Zeppelin is the product of a generation of experimenting. The R-100 and the R-101 are the result of experiments begun in 1924. In six years the British have constructed a new type of ship, heavier, quieter, safer than any others. But Britain has had to train its engineers and industrialists; it has had to find and train pilots and even now has few dirigible experts in any of these branches. They will come in the future.

* * *

THE recent flight of the R-100 was a significant experiment. Those most interested claim no more than that. What was planned has been completed—one short step forward has been taken, that's all.

The next step will be larger and faster dirigibles. Before the R-100 was half finished it was admitted that she should be twice as big to be of any practical value. Doubtlessly an immediate start on larger ships will be made.

To Canada, the tremendous fact is that a transatlantic service by dirigible is proved practical within the next ten years, given the ships.

* * *

CANADA cannot be separated from the development of transatlantic air transport. Air transport follows the shortest routes and the shortest routes between Europe, Asia and the United States and Canada all lie across Canadian territory. Canada is destined to hold the principal crossroads of air transport in the western hemisphere.

Because development and trade are stimulated by transportation it is to the best interests of Canada to foster intercontinental air transport. We cannot lose by it because no one can change the shape of the earth.

DAIRY CORP. "A" SHARES EARNING $3.60

(Continued from page 1)

(Winnipeg). Canada Pure Milk Co. was acquired and merged with City Dairy, both companies being in Winnipeg, and the company controls also The Davis Dairy (Saskatoon) and The Prairie Creameries (Regina).

Dairy Corp. of Canada has outstanding $500,000 6 per cent 15-year Series "A" debentures due 1945, $535,000 in 6 per cent $100 par value preference stock, 20,600 on par value Class "A" common shares out of 100,000 shares authorized and 36,000 Class "B" no par value common shares out of 50,000 shares authorized. It is evident that 4,800 class "A" shares will be required to draw in all the remaining stock of Edmonton City Dairy. There have to be reserved 5,000 Class "A" shares to make good the stock purchase warrants attached to the Series "A" debentures to buy stock at steadily increasing prices up to 1945, which concludes the right at $50 a share. The right of the preferred shares to convert into Class "A" common at the rate of one preferred for two Class "A" shares makes necessary the retaining also of 10,700 shares.

The company has also granted options on 5,000 Class "A" and 5,000 Class "B" shares.

Turnover is $8,000,000

The annual production of the companies controlled by Dairy Corp. of Canada is estimated at $8,000,000, and the group therefore takes a high place among important Canadian industries. The combined output of the companies is divided as follows: Milk and cream, $4,750,000; butter, $2,000,000; and ice cream, $1,250,000. The volume of ice cream sales is believed to be in the van among Canadian companies. The estimate of $3.60 a share for the fiscal period ending December 31, 1930, takes for granted the acceptance of minority shareholders of Edmonton City Dairy Co. of the offer now being made them, or $90,000 on 25,000 Class "A" shares.

The company has in J. A. Caulder, president and managing director, experienced and successful management, and the experience of the first year of operation appears to justify in economies and consolidated direction the mergers made.

MORE CHANGES STEWART GROUP ARE EXPECTED

(Continued from page 1)

but it is the prevailing impression that these refer rather to the strength of the companies which enabled them to take with ease certain losses which would have staggered smaller companies.

It is believed that other measures are being considered with the aim of still further strengthening the financing and earnings positions of the James Stewart companies. The question of management bulks large in the plans for future operation.

TEXTILE MEN WILL CONFER IN SEPTEMBER

(Continued from page 1)

prices below the cost of manufacture.

Earnings dwindled rapidly, dividends were passed and there appeared to be little hope of an improvement in a situation whose foundation rested on world-wide over production. Nevertheless the cotton and woollen manufacturers have been persistent in their efforts to keep their mills operating by cutting costs and increasing the efficiency of their plants. To a great extent their efforts have been rewarded with success, for any companies less ably managed would have been submerged by the adverse tide of affairs.

Dominion Textiles has done well consistently. Canadian Cottons has suspended payment of its common dividend, Wabasso Cottons was the first of the cotton manufacturers to pass payment on its common shares. Canadian Converters has reduced the payment on its capital stock. Montreal Cottons maintains payments but has not earned them in the past two years.

Here then is an industry in which millions of dollars are invested, but an industry which has not shared in the general prosperity which has been apparent in Canada in the past few years. While other industries made record profits and enjoyed expansion, the cotton manufacturers languished in the doldrums and watched their profits decline steadily.

Conference Improves Outlook

The Ottawa conference thus may have a vital bearing on the future of the whole textile industry. It has come at an opportune time when the political aspect may be considered more favorable. It will represent an interchange of ideas of men interested in all phases of the Canadian textile industry. Out of this discussion should arise some constructive and interesting projects.

While the immediate future of the cotton industry should be reviewed cautiously, there are evidences that the industry may see better times within the next year. Over expansion throughout the world is a difficulty which cannot be righted in Canada alone, but indications are that the industry may benefit under the new government.

BORDEN PLANS ON CITY DAIRY NOT CERTAINTY

(Continued from page 1)

mental objection to the sale of City Dairy.

It is contended that Borden Co. in the current year will not only pay a $3 dividend, but will also repeat its performances of last year and add a stock dividend of 3 per cent. This will mean a dividend basis of $2.62½ cash for City Dairy shareholders, as contrasted with present $2 rate on Dairy.

Say $3 City Dairy Limit

The opinion is expressed that if the City Dairy dividend were to be increased to $3 this year or next, no further increase could be expected for some years to come, in view of the intense competition in the dairy business in the Toronto territory and the fact that the company may have missed its opportunities for expansion into other cities some years ago.

In the last few years, three other companies have arisen which are becoming factors in the national field. One is Eastern Dairies, important in the fluid milk business in Montreal, Toronto and Winnipeg. Another is Silverwood's, which is expected this year to do $10,000,000 in business, a substantial portion of which is in ice-cream. The third company is Borden's, which is increasingly important in every branch of the dairy business.

Competition Feared

In view of these conditions, directors of City Dairy are said to be of the opinion that expansion of City Dairy into the national field is less advisable than is sale of the company to the Borden Co., and thus bring the shareholders into an international organization which is expected to do extremely well by its shareholders.

There is no intention, it is said, to alarm the shareholders, but it is believed advisable that these facts be faced. If, after learning these facts, the shareholders wish the company to continue as a separate entity, the directors are prepared to carry on, with confidence. It is believed that the company will be able to operate profitably in the future as in the past and that there may be a gradual increase in earnings which can be passed on to shareholders.

May Get New Blood

In the event of the shareholders rejecting the Borden offer, a partial reorganization of the board of directors is probable. On the death of W. J. Northgrave, president and managing director, Mr. Moore again assumed the presidency of the company, although it is understood that this was merely a temporary appointment, because of the pressure on Mr. Moore's time from other directions.

Ratification of the proposed sale of City Dairy will require that 75 per cent of the shares represented at the meeting called for the purpose be in favor. This means that 26 per cent of the votes could block the sale.

The company is controlled by the preferred shares, there being sixteen votes for each preferred share to one vote for each common share. There are 7,000 preferred shares and 92,400 shares of common. There are said to be more than 1,200 shareholders, the majority residents of Toronto and vicinity, but with a scattering of holdings throughout the world.

Each common share of the company which is now being purchased at the equivalent of $68 per share is a sixteenth part of a share given as a bonus with each preferred share sold at par on the original incorporation of the company in 1900. The common shares have been split sixteen for one and the present dividend on these shares originally given as a bonus thus is $32 annually. Preferred dividends have been paid regularly from the early days of the company and the premium of $35 which it is now proposed to pay is in the nature of an extra dividend on this non-redeemable stock.

City Dairy originally was started as the successor company to a private enterprise operated at a loss by the late Walter Massey, father of Denton Massey, who is now on the City Dairy board. Walter Massey owned one of the first herds in the vicinity of Toronto which was guaranteed free from tuberculosis and his enterprise in the first instance was a desire to supply milk for infants and other persons whose physicians prescribed certified milk. It is said that, in those days, there was little pure milk sold in Toronto.

Operating in competition with other dairies which had not the expense of purification and inspection, City Dairy in the beginning did not make money. But when S. J. Moore assumed the presidency, the company boldly increased the price of its milk and lost few customers. A second increase which enabled the company to pay expenses was instituted and by the end of the first two years under Mr. Moore's regime the company began to pay dividends on the preferred stock.

There was continuous progress from then until 1914, when there was a change of conditions. On the appointment of the late W. J. Northgrave as manager, the company again was profitable and, with the great growth in its territory, with the expansion of its ice cream business into other Ontario centres, and the organization of the milk powder business throughout the Dominion, there came the substantial growth in earnings which has made City Dairy the first-class investment which it is today.

CANADA STEAMERS OUTLOOK BETTERS FOR GRAIN TRAFFIC

(Continued from page 1)

but other traffic has been fairly well maintained.

The financial statement for 1929 showed a material decline in earnings as compared with 1928. As there has been no improvement in conditions this year, it is generally considered that the company is not earning its preferred dividend requirements. Nevertheless, the company has continued to pay the dividend. A short time ago, however, the preferred stock dropped off sharply in value, and is currently selling around 35. This is in anticipation that the directors will pass the next quarterly dividend payment, due October 1, in order to conserve the cash position of the company. This movement is to be expected. If traffic conditions come back to normal before the end of navigation, or definite signs of an improvement are to be seen, it is possible that the directors may not take any action in respect to passing the preferred dividend.

Bigger P. E. I. Potato Crop

The Prince Edward Island potato crop is far in advance of any previous season at this time of the year. Of potatoes entered for certification, there was an increased acreage of 5,000 to 25,000 acres, while the acreage for all potatoes this year is reported at 45,000.

Nordon Expects $25,000 on New Well Annually

Nordon Corporation, owning large tracts of oil lands in Canada and the United States, has reported favorable news of production by the Prairie Oil & Gas Co. drilling on property leased from Nordon, in the Hobbs High New Mexico area.

The report states that the well is good for 630 barrels per day, and with a royalty interest in this well of 3⅛ per cent of marketed production, Nordon should realize somewhere in the neighborhood of $25,000 annually from this well, provided, of course, that production does not decline below the 630 mark. Very often a decline in production takes place in a well.

The well is shut off temporarily while connections are being made with the Atlantic pipe line, after which regular production will commence.

In addition to the 80 acres leased to Prairie Oil & Gas Company, Nordon holds 400 acres in this area, leased under similar contracts giving a royalty interest in the marketed production from the property.

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Canadian Motor Industry Should Have Better Time Next Year than in 1930

Situation in Used Cars and Dealers' Inventories is Improved

COLLECTIONS FAIR

Financing Companies Scrutinize Accounts Carefully; T. A. Russell Believes Business Confidence is Growing

T. A. Russell, president of Russell Motor Car Co., which controls Canada Cycle & Motor Co. and Canadian Acme Screw & Gear and is a large shareholders in Willys-Overland, believes that the motor industry in Canada will have in 1931 a much more successful and profitable year than it is now experiencing.

Though he could see no actual statistical evidence of improving business, Mr. Russell informed a representative of The Financial Post, who interviewed him recently, that he believes there is evident a distinct tendency to that returning confidence in the business situation on which alone better business can be built.

"Last fall declining business and the spectacular break in the valuations achieved on the various stock markets in Canada and the United States had the immediate effect of making everybody anxious at about the same time," said Mr. Russell. "The largest part of a year has gone by since that time. The fears of quite a number of those who were so much afraid last fall have proved groundless, others have taken their losses, some companies have failed, many individuals have taken cuts in their salaries or wages and there is a feeling that the worst has happened. Naturally, those who did not lose in the stock market, who foresaw what was coming, and who have found that they have not been losing in a business way, are the first to show renewed confidence. They will make purchases which they delayed for months in fear of reverses which have not come. So will those who have taken losses but who feel that their position is now solid.

"I do not look for a sudden uprush of business confidence in September. The process will be more gradual than that, but I do look for a good year for the motor industry in Canada in 1931, certainly a better year than in 1930."

Motor Output is Good Gauge

"Are there evidences of that in the industry as well as in the general state of business?" he was asked.

"I regard the industry itself as an excellent indicator of the state of business as a whole. It was the first to fall off in the spring of 1929. Production began to fall off in May, 1929, but it was regarded as a mere seasonal fluctuation. But when June sales were also down, it should have been a warning to all of us if our foresight had been as good as our hindsight. I believe that it will also be one of the first industries to recover and in that way will show the trend which general business is about to take. Fluctuations in the industry make a considerable difference in the sum total of business and general business cannot ignore the fact that the first half of 1930 only saw 93,359 passenger cars and 17,326 trucks produced in Canada as compared with 151,715 passenger cars and 37,748 trucks in the first six months of 1929. In other words, there was a drop of 42 per cent in the production of passenger cars and trucks combined. When you think of all the industries supplying parts and accessories to motor cars, you see how such a drop makes quite a dent in the general level of business."

"Is the introduction of new models making a difference to business?"

"Naturally there is some response but the response of the public at this time has not been so great as ordinarily. Every company is not putting out new models, partly in some cases because they have not cleaned up other production as early as usual, and partly because some firms think the public will be more interested a little later on."

Ability to Buy Recovering

"A year ago one heard a good deal about the used car situation as very threatening. Is that situation improved?"

"I think the used car situation has been improved. In the first place, dealers have not taken in as many used cars because of this reduction in the sale of new cars. Dealers have traded more conservatively, and as a result I am sure that both their stocks of new and old cars are less. Dealers who were not naturally conservative have had no choice about the matter as they could not get money to finance purchases and sales on any other basis than a conservative basis. They had no choice about it.

"Finance companies have found it well to scrutinize very carefully a number of accounts which at one time they used to finance without question. This year their experience has been very good, so far as avoiding actual losses are concerned. The number of repossessions in a time of business recession is naturally higher and payments have not been made as promptly. I do not believe the losses have been very great, however. That is an encouraging feature. It is also encouraging to think that every month increases the number of those who complete contracts to pay for motor cars, pianos, refrigerators, and what not, on the partial payment plan and that therefore the potential ability to purchase is getting larger month by month."

Agnew-Surpass Com. Admitted to N. Y. Curb

Agnew-Surpass Shoe Stores, which had 80,000 shares of common stock and 10,000 preferred shares listed on the Montreal Stock Exchange since December 12, 1929, has just had its no par value common stock also admitted to unlisted trading privileges on the New York Curb Exchange.

The company, which will have 50 retail shoe stores operating in Canada before the end of 1930, experienced increasing sales throughout the fiscal year which ended May 31, 1930, the total increase being in the neighborhood of 19 per cent. Some of this increase was attributable to the fact that the number of stores increased by ten during the period, but it is also believed that the company's net position will be shown to have improved. It will probably be some weeks before the annual report will be available.

RADIO PRODUCTION OVER $20,000,000

Wireless Becomes Major Business in Canada—1929 is Record Year

Production of complete radio sets, parts and batteries in Canada during 1929 reached a value of $20,966,137 or 65 per cent above the total of $12,768,024 reported for 1928. Output of radio sets or parts was reported by 47 different firms. Complete sets were made in 18 different plants and the output numbered 143,968 sets worth $14,986,173 as compared with a corresponding total of 81,032 sets worth $7,486,127 in 1928. Vacuum tubes were manufactured in four factories; the number made was 2,924,270 and the value was $3,100,148. Batteries, storage and dry cell, said to be manufactured for radio purposes, were produced in 14 establishments and the value totalled $1,791,639 as against $2,456,065 in 1928. Battery eliminators were reported by three concerns and the output amounted to 574 worth $9,722. Other lines of production included transmitters, transformers, loud speakers, panels, condensers and other miscellaneous parts.

Exports to Canada of radio sets and parts from the United States during the calendar year 1929 had a value of $10,784,156 and included the following items: radio transmitting sets and parts, $380,396; radio receiving sets, $5,406,233; radio tubes, $317,217; receiving set components, $2,213,762; loud speakers, $734,353; receiving set accessories, $1,732,195.

Radio licenses are issued by the Department of Marine and Fisheries. During the fiscal year ended March 31, 1929, licenses were issued to 423,557 persons exclusive of 589 to the blind, as compared with 296,756 licenses issued in the preceding fiscal year. Ontario led all provinces with a total of 211,775 and Quebec was next with 71,757. Registrations in the other provinces in order were as follows: British Columbia, 35,998; Saskatchewan, 32,906; Manitoba, 26,370; Alberta, 21,456; Nova Scotia, 13,379; New Brunswick, 8,783; Prince Edward Island, 985; and the Northwest Territories, 148.

Transmitting licenses were issued to 1,289 stations during the fiscal year; the following classes were included: private commercial broadcasting, amateur broadcasting, limited coast, public commercial, experimental, private commercial, training school, amateur experimental, aircraft and ship.

Maritime Telephone May Offer Stock

From Our Own Correspondent

MONTREAL. — Maritime Telegraph & Telephone Co. has applied to the Nova Scotia Public Utilities Commission for permission to issue 10,000 shares of common stock, par value of $10 each. If the commission approves, the company proposes to sell 1,500 shares to employees and 6,017 shares to employees' benefit fund, the remainder to be reserved.

In May, 1929, the company was allowed to increase its capitalization from $5,000,000 to $7,500,000, and in November the Board of Public Utilities granted the company authority to issue 68,000 common shares to shareholders, on the basis of one common share for each five preferred or common shares held, at $10 per share. Payments were made in four installments, the last on March 31, 1930.

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CANADIAN LOANS IN UNITED STATES REACH BIG TOTAL

Record for Second Quarter Shows Much Capital Raised

From Our Own Correspondent

MONTREAL.—The nominal value of Canadian financing in the United States during the second quarter of 1930, reached the impressive figure of $104,872,500, or nearly one quarter of all foreign financing carried out in that country during the same period.

Of the Canadian financing the United States recorded between April and June, 1930, $85,733,000 represented government issues, including corporate issues officially guaranteed. Industrial financing totalled $19,139,500.

Details of the public offerings in United States, show that of the Canadian government financing $21,250,000 was estimated as refunding to Americans while the balance represented new capital. In the case of corporate issues, the full amount represented new capital.

Canadian loans were heavier during the second quarter than during the first three months of this year. The principal borrower was the Canadian National Railways, which obtained over $35,000,000 through issues of long-term bonds and equipment trust certificates. Several provincial and municipal loans for refunding and public works purposes were placed on the American market.

Six provincial governments, one city, and the Canadian National Railways, are represented in the government financing carried out in the United States during the second quarter. Further particulars follow:

	Total of issue if partly taken abroad	Par value of flotation in U. S.	Estimated refunding to Americans
B. C. debs.	$3,000,000	$ 600,000	$ ......
Man. bonds	1,570,000	354,000	......
N. B. bonds	1,100,000	956,000	......
N. B. bonds	3,150,000	1,778,000	750,000
Alberta bills	......	5,000,000	......
Ont. bonds	30,000,000	18,600,000	10,000,000
City of Quebec	3,333,000	2,572,000	500,000
City of Toronto	13,396,000	12,073,000	......
B. C. bills	......	4,000,000	......
B. C. bills	......	4,000,000	......
C. N. Rly.	50,000,000	21,300,000	10,000,000
C. N. Rly. equip. trust cert.	15,750,000	14,500,000	......
		85,733,000	21,250,000

There were eight Canadian corporate issues placed on the American market in April, May and June. Except for the Aluminium Limited issue of preferred stock, United States investors only took a small proportion of the total value of the issues.

Particulars of this type of financing follows:

	Total of Issue is Partly Taken Abroad	Par Value of Flotation in United States
Calgary Power bonds	$8,000,000	$ 544,500
West Canadian Hydro-Electric Corp. debs.	......	350,000
West. Canada bonds	1,000,000	450,000
Aluminum (Ltd.) pf.	......	13,000,000
Canadian Copper Ref. bonds	2,500,000	445,000
Iowa Southern Util. debentures	2,500,000	500,000
National Light & Pwr. bonds	2,000,000	100,000
Bell Telephone bonds	7,500,000	3,750,000
		$19,139,500

Business Briefs

The Daily News, of St. John's, Nfld., says:

"A prominent fish exporter of the city had a letter recently from Messrs Hijo de Guillermo Campus, Spain, dealing extensively with the situation in the Spanish markets, as far as Newfoundland codfish is concerned. The letter emphasized the need for a better grade of fish, stating that Spain is prepared to pay a higher price for No. 1 quality. The letter points out the danger of Newfoundland losing the Spanish market entirely to Iceland or Norway, stating that soon Iceland or Norway will produce an imitation shore fish and when that day comes it is good bye Spanish markets as far as Newfoundland is concerned.

"Showing how the Icelandic fish is ousting Newfoundland from the markets figures were quoted showing that in 1919 the total imports of fish into Spain were 899,543 quintals and in 1928, 1,157,818. Of this quantity in 1919, 324,000 quintals came from Newfoundland and 285,468 from Iceland. In 1928, 365,116 quintals came from Newfoundland and 889,632 from Iceland."

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High Pressure Agents Sell Encyclopoedias

Many Canadians Are Threatened With Suit on Contracts They Do Not Remember Signing—Attorney-General Asked to Intervene

Canadians are being pestered greatly these days by high-pressure book agents of an unusually virulent type. There is nothing new in the methods of salesmanship: the ingratiating approach by mail and by canvasser; the offer of an encyclopoedia free because of the advertising value of the recipient's name; the trial offer of a loose leaf extension; and the securing of the name of the marked down victim on the dotted line.

Then comes the change of tone, threatening letters if payment is not made and possible suit in the court. All these high pressure methods are still in use today but the collection methods appear to have developed a savagery beyond previous experience.

Victim Describes Barrage

The Financial Post is in receipt of the following letter which will indicate the methods of the book agents referred to, and serve as a warning to those who have not yet been victimized:

"Myself and many others have been the victims of a Chicago book company, operating under various names, offering to present complimentary sets of encyclopoedias, 10 books, in return for a letter of recommendation.

"After filling out a small card to verify address, an agent calls and tells one that the books are free in exchange for this letter and the advertising value of one's name, and also persuades one to take a loose-leaf extension for another ten books spread over a ten-year period, payable by installments.

"In my case I paid the agent $2 for the first copy of the loose-leaf extension to see how I liked it and signed an order to receive further copies if I were satisfied.

"Soon after the books came, also a letter from a discount company to say they had an alleged promissory note for $94.50 for the set of books I bought from the agent, also I had to pay 25 cents for each quarterly copy of the looseleaf extension, which was a paltry American magazine with two holes punched in it, which amounted to another $10.

"I wrote back and repudiated the whole thing and their reply was that they had my signature on the note duly filled in with the amount and I was to pay $5 per month, and this alleged note was attached to a contract also filled in which I never saw. They said that I had paid $5 by cheque down payment—which I never did—and as I have never seen a contract I don't know what it says even.

"They keep on sending me letters and are now threatening to sue me and garnishee my wages to force payment. They say that I have no chance at all against their company.

"A friend of mine, a minister, has got about 40 names of people who are involved the same as I am. He has tried to place the matter before the Attorney-General but does not seem to get anywhere, and we don't just know how to go about beating the impostors.

"The Daily Star published an account of how these same book people, as far as we know using the same methods, lost an appeal suit in Manitoba at Winnipeg. In losing about 40 other suits were cancelled, and yet I have since received another threatening letter.

"The position of some folks, young and old, being forced to pay up, is tragic. They get scared and pay and make it worse for those who won't.

"I have also got the books, untouched and just as received. Others have tried to return the books but the company says, 'No, pay up or go to Court;' and I am determined not to pay.

"As a lover of books I got bitten, and feel like many others as if I would never spend a cent on any book again. I feel sure that if some good Canadian publishers knew what was going on, they would run these people right out of Canada.

"I have seen a lawyer, and he says: 'Wait and see what they do.' I cannot afford a law-suit, like most of the others. I have never answered any letters since they started demanding money and I am willing to fight them as best I can."

Makes Bad Worse

None of the letters received by The Financial Post says whether or not the books or the extension service are good, bad or indifferent. Certainly Canadian publishers with a bona fide proposition do not approach by letter or through agents any Canadian by any such indirect, high pressure or deceiving methods as those outlined.

Such methods throw discredit and suspicion on every book agent that approaches a prospect no matter how genuine may be the opportunity offered. It is just as much in the interest of sound business to stop practices as those outlined as any other practice which aims at making profit by deceiving people. In past years people, approached by these encyclopoedia salesmen, did sign something which made them liable even if they had not read what they signed. That was bad enough, but the letter published above shows strong-arm methods which are not even based on a contract signed.

The lawyer mentioned by the writer of the letter quoted evidently does not take the letters of the company seriously when he advises his client to wait and see what the company will do. He may believe that so much noise and fury is with the object of covering up the weakness of their case. Since some have been "scared," their methods are evidently productive to a certain extent.

Investment President

HENRY T. FERRISS,

executive vice-president of the First National Company, St. Louis, named for the 1930-1931 presidency of the Investment Bankers Association of America. Since nomination by the association's board of governors in the past has always been equivalent to election, it is expected that Mr. Ferriss will take office at the close of the association's nineteenth annual convention to be held at New Orleans, October 12 to 15. He will succeed Trowbridge Callaway of Callaway, Fish & Co., New York.

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OVER BILLION ADDED NATIONAL WEALTH

Total for 1928 Estimated at $29,000,000,000 — Per Capita Figure High

Government estimate of the National Wealth of Canada, places the aggregate for 1928, exclusive of undeveloped natural resources, at approximately $28,940,000,000 which is an increase of $1,272,000,000 over the 1927 estimate of $27,668,000,000. Similar estimates placed the total for 1921 at $22,195,000,000 and for 1925 at $25,673,000,000 though these figures are not exactly comparable in view of certain improvements and additions that have been made in the method of estimation.

As regards the provincial distribution of wealth, Ontario ranked first with estimated aggregate wealth of $9,892,000,000 or 34.18 p.c. of the total, Quebec second with $7,302,000,000 or 25.23 p.c. and Saskatchewan third with $3,075,000,000 or 10.63 p.c. of the whole.

While Ontario led in absolute wealth, the western provinces came first in per capita wealth. British Columbia held first rank with a per capita wealth of $4,369, Alberta second with $3,717 and Saskatchewan third with $3,613. Ontario, with a per capita wealth of $3,063 was fourth, Manitoba was fifth with $2,986 and Quebec sixth with $2,759. The per capita wealth for the whole Dominion was $2,996.

Province	Estimated Wealth $	Wealth per Capita $
Prince Edward Island	$ 152,000,000	$1,759
Nova Scotia	869,000,000	1,589
New Brunswick	779,000,000	1,877
Quebec	7,302,000,000	2,759
Ontario	9,892,000,000	3,063
Manitoba	1,956,000,000	2,986
Saskatchewan	3,075,000,000	3,613
Alberta	2,349,000,000	3,717
British Columbia	2,547,000,000	4,369
Yukon	19,000,000	*
Canada	$28,940,000,000	$2,996

*As the statistics of population and wealth for the Yukon are uncertain, the per capita estimate of wealth is open to question and has not been shown.

P. Lyall and Sons Obtain Two Government Orders

From Our Own Correspondent

MONTREAL. — Contracts for $50,000 for the installation of partitions in the Confederation Building have been let to the firm of P. Lyall & Sons Construction Co. by the government, according to announcement by the deputy minister of public works. Contracts of the same firm, to the amount of $23,124, have been awarded in order to carry out additional work and grading around the Confederation Building.

P. Lyall & Sons has been in the hands of the receiver for several months and there is no intimation that the receivership will be lifted in the immediate future.

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County of York	5%	1936-40	to yield	5.00%
City of Sherbrooke, R.C. Schools	5%	1952-66	to yield	5.00%
City of Edmonton	5%	1945	99.48	5.05%
T. Eaton Realty Co., Ltd.	5%	1949	95.28	5.40%
Beauharnois Power Corporation Collateral Trust Bonds with Common Stock Bonus and Purchase Warrants.	6%	1959	100.00	6.00%
Lake St. John Power & Paper Co. First Mortgage Bonds	6½%	1947	[illegible]	[illegible] 50%

	Price Per Share	Yield
International Proprietaries (Eno's) Class "A" Stock. Entitled to Preferential Dividends of $2.60 per share per annum plus Participation Dividend.	$37.00	7.30%

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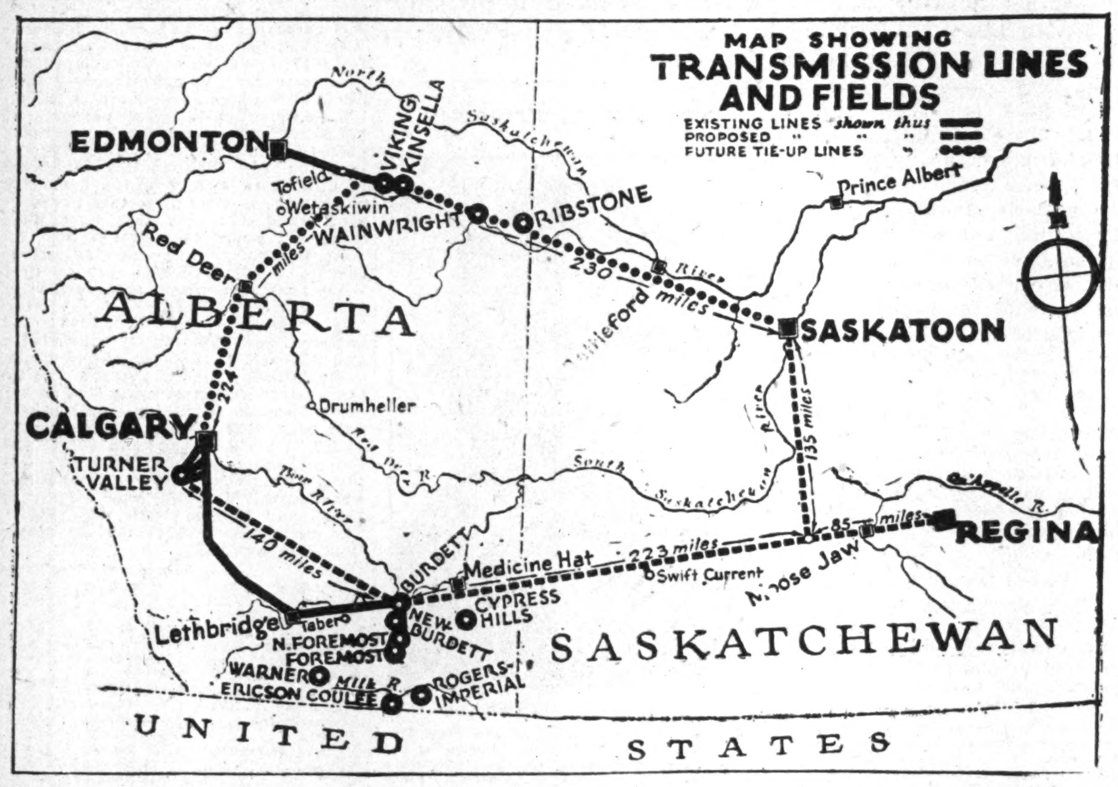
Public Utility Investments

Gas Line Project to Cost Over $17,000,000



Plan shows the natural gas transmission lines as proposed by Dominion Gas and Electric Company to link up the important cities of Saskatchewan and Alberta. Edmonton will be served from the Viking field and the other areas from Turner Valley. Eventually it is planned to link up all areas with Turner Valley gas. At present the scheme hinges upon the company securing franchises from Saskatoon, Regina, Moose Jaw and Swift Current.

Dominion Gas Seeks Rights for Mammoth Prairie Gas System

Want Franchise from Four Saskatchewan Cities

SPEND $17,000,000

Will Use Turner Valley Gas to Meet Needs of Longest Line in the World

From Our Own Correspondent

MONTREAL. — Approval of the plans of Dominion Gas & Electric Co., which acquired control of International Utilities Corp.'s properties in Western Canada, for the supply and distribution of natural gas to Regina, Saskatoon, Moose Jaw and Swift Current, will set up one of the largest natural gas distribution systems in the world. The company is now seeking franchises from the municipalities concerned, and a decision one way or the other is expected shortly.

There has been an enormous wastage of natural gas from the Alberta fields for many years, and in order to utilize more fully this natural resource, Canadian Western Natural Gas, Light, Heat & Power Co. (now a part of the Dominion Gas and Electric organization) made overtures to Regina, Saskatoon and Moose Jaw, in September, 1926, for a franchise. The company was informed at that time that the cities would not consider granting franchises unless definite assurances could be given that the company had under control or had developed sufficient quantities of natural gas to supply all the requirements of the city.

At that time no such assurance could be given. The request was then made to the cities that they should not grant a franchise for natural gas until the company had had sufficient time to carry out its exploration work. Upon receipt of word to this effect or that the company would at least be given an opportunity, if such an application were made, to submit an offer, exploration work was continued in Saskatchewan.

Tested Saskatchewan Area

In the intervening period, Canadian Western Natural Gas sank 19 holes in various parts of Saskatchewan, in which the geological formations were favorable, and expended approximately $75,000.

The results obtained are of consequence in so far as the local supply of gas in central and eastern Saskatchewan is concerned. Information obtained from the core samples leads to the conclusion that no matter how favorable the structural features appear to be, the gas and oil bearing beds known in Alberta have completely feathered out in the central part of Saskatchewan, and, it is stated, these beds can be expected to occur only in the extreme western part of the province. The core samples explain in part the non-productivity of wells in Saskatchewan. According, a very large part of the province is rather definitely eliminated as a possible gas region. This view is not unaminous by any means, others believing that commercial gas can be found.

The company was then faced with the necessity of obtaining its supply of gas elsewhere, and to this end, turned its attention to the Turner Valley, where a large amount of gas is going to waste daily.

Survey Principal Cities

In the Fall of 1929, a survey was made of Regina, Saskatoon and Moose Jaw for the purpose of ascertaining the possible load if natural gas distribution systems were constructed in these cities. It was found by this investigation that the estimated peak daily requirements of these cities would be from 60,000,000 to 70,000,000 cu. ft. per day. As it is good practice to draw upon wells only to the extent of 25 per cent of their open flow, it would be necessary to have an accumulated open flow of approximately 200,000,000 cu. ft. per day.

Since the first application for franchises was made by Canadian Western Natural Gas, additional gas wells have been brought into production in Turner Valley, thus making distribution of gas in Saskatchewan feasible if the gas from this source could be linked up with other reserves and known developments which could take care of peak conditions.

The company has entered into contracts with Royalite and other producers in the Turner Valley, which give it control at present of natural gas from wells which have a total open flow of approximately 400,000,000 cu. ft. of gas per day, and in addition it has established reserves and potential gas fields which make this project feasible from the point of view of supply.

In addition the company has under way a project of re-charging the Bow Island gas sand, which originally contained 45,000,000,000 cu. ft. of gas, with waste gas from Turner Valley. Three 200-h.p. compressors are being installed, wells have been re-conditioned, and field lines relaid, at an estimated cost of $150,000. This work is practically completed and the company will shortly transport the wast gas from Turner Valley and re-charge the gas sand in this field.

At present it is not considered feasible to transport natural gas to Saskatchewan from the fields in the northern part of Alberta, for the reason that although the Viking field is sufficient to take care of the present requirements of Edmonton, there is no doubt that additional reserves for this market will have to be and have been obtained from what is supposed to be a large potential gas field, namely, Kinsella.

Use Turner Valley

Accordingly, it is intended to supply the cities of Saskatchewan with natural gas from Turner Valley, linked up with other fields in the southern part of the province. Ultimately, however, it is possible that Turner Valley will be connected up with Edmonton, thereby supplying to that city a duplicate source of power, and afterwards continuing the pipe line from Viking to Kinsella to link up with the distribution system in Saskatoon, Regina and Moose Jaw, thus creating a belt transmission line, linking up all the principal gas regions, which have been and may be located in Alberta and Saskatchewan.

This larger scheme can only be made feasible for those who are in control of the supply and distribution of natural gas in Lethbridge, Calgary and Edmonton, and if the last named city is linked up with Turner Valley by the company.

Spend $17,000,000

It is estimated that the expenditure on the first half of the development of this scheme, namely, the transmission line from Turner Valley to Regina, Moose Jaw, Swift Current and Saskatoon, including the distributing systems in these cities, will be $17,000,000. In return for the development of a natural gas distribution system, Dominion Gas and Electric Company seeks the franchises of Regina, Saskatoon and Moose Jaw and Swift Current.

To this end the company has submitted the following schedules of rates, such rates to be same for all cities and communities to be served by this scheme:

First 4,000 cubic feet	—75c per M.C.F.
Next 6,000 cubic feet	—65c per M.C.F.
Next 10,000 cubic feet ...	—60c per M.C.F.
Next 10,000 cubic feet ...	—55c per M.C.F.
Next 20,000 cubic feet ...	—50c per M.C.F.
Next 100,000 cubic feet ..	—45c per M.C.F.
Next 350,000 cubic feet ..	—40c per M.C.F.
Next 500,000 cubic feet ..	—35c per M.C.F
Next 4,000,000 cubic feet	—30c per M.C.F.
Over 5,000,000 cubic feet	—25c per M.C.F.

Proposed Rate Schedule

A flat rate of 25 cents per thousand cu. ft. will be charged when the amount purchased in any month amounts to 15,000,000 cu. ft. or more. The company may exact a minimum charge of $1 per month. All accounts shall, except as to the minimum charge, be subject to a discount of 5 per cent if paid within ten days from the date thereof.

Further supporting its application, the company claims that the above schedule of rates will mean a saving to the domestic consumer, over the cost of other fuel for heating, cooking and hot-water heating, after allowing for the increased efficiency of natural gas oved and above other fuels, of approximately 20 to 30 per cent.

Though the matter has not reached any definite stage, it is apparent from the foregoing that Dominion Gas and Electric Company will have to carry out extensive financing to take care of capital expenditures. Such capital, however, may be secured from the controlling companies, namely, American Commonwealths Power Corporation and American Utility and General Corporation. According to E. H. Rollins & Sons, Limited, the former has a 60 per cent control, while the latter owns the balance.

Saskatchewan Line System Developing

From Our Own Correspondent

MONTREAL.—Work is proceeding on the construction of 650 miles of high tension power lines being undertaken by the Saskatchewan Power Commission as a part of the proposed provincial scheme by which Saskatoon is the centre. About $2,500,000 is to be expended on the work this year, the operations being carried out by six contractors.

At present, the Saskatchewan Power Commission has under way plans for the extensive electrification of Northern Saskatchewan. To this end it recently acquired the municipal power plants at Prince Albert and Saskatoon. Private interests are now dickering with the Government to develop between 70,000 and 90,0000 h.p. at Horse Shoe Bend on the North Saskatchewan River. This project, when completed, would give the commission sufficient power to take care of its needs for many years. The scheme awaits approval.

BEAUHARNOIS CORP. TO POUR CONCRETE ANOTHER TEN DAYS

More Than 4,000,000 Cubic Yards of Material Moved

From Our Own Correspondent

MONTREAL.—Within the next ten days Beauharnois Construction Company, wholly-owned subsidiary of Beauharnois Power Corporation, will begin pouring concrete for the foundations of the 500,000 h.p. power house.

Up to date more than 4,000,000 cubic yards of material have been moved by the corporation at the site of the canal and power house between Lake St. Francis and Lake St. Louis. For the preliminary installation of 200,000 h.p., some 20,000,000 cubic yards are to be excavated. About 50,000,000 cubic yards will be moved before the plant produces 500,000 h.p.

Plan Larger Operations

Despite the volume of material moved in the first half of the current season, the construction schedule provides for an increase in the material to be handled during the next five months when the large scale excavating equipment will continue operating day and night.

Mass methods have been adopted by the corporation. The hydraulic dredge, the moveable steel tower excavators, and the gasoline and electric shovels were assembled during the winter and early spring. Since the beginning of large scale operations this spring, the efficiency of the equipment has been steadily increased and has proved that the estimated costs were determined on a conservative basis.

The power house excavations have reached the point where work is soon to begin on the foundations. A concrete mixing plant, over 100 feet high, has been completed near the power house site. The rock excavated for the power house moves to the crusher, and then into the mixing plant.

Avon River Power Proposes New Rates

From Our Own Correspondent

MONTREAL.—Avon River Power Co. has applied to the Nova Scotia board of commissioners of public utility for approval of a new schedule of rates, tolls and charges for electric services in the territories served by the company other than the Stewiacke division. Details of the new schedule have not yet been made public.

Avon River Power Co., with head office at Windsor, has undertaken a programme of wide expansion. To that end it has acquired control of several companies operating in the southern part of Nova Scotia, and is now regarded as one of the largest power operators in the Maritimes.

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The trend continues as Canada looks increasingly to hydro power to accomplish her ambitions. Each year domestic life and industrial progress are more closely bound up with the provision of electrical current.

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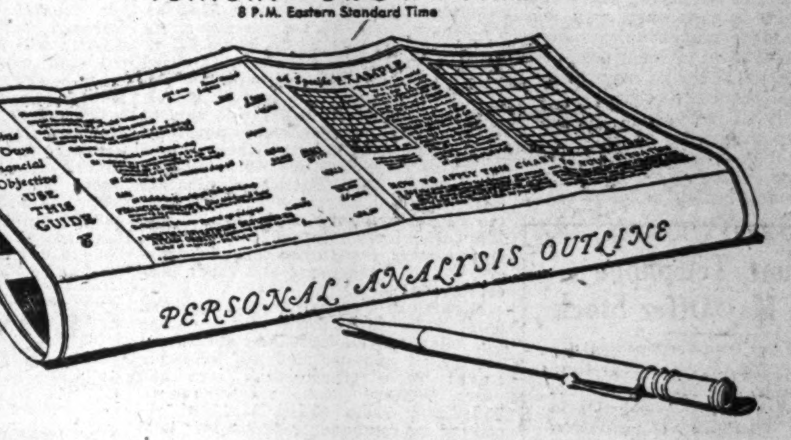

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Public Utility Earnings

Jamaica Public Service

June:	1930	1929
Gross earnings	$66,012	$61,873
Net earnings	27,783	25,847
Surplus after charges	$20,511	$19,469

12 mos. ending:	June, 30/30	June, 30/29
Gross earnings	$808,120	$724,533
Net earnings	329,171	298,409
Surplus after charges	$253,781	$223,309

Canadian Pacific Railway

Week Ending July 31	1930	1929
Approx. earn.	$4,595,000	$6,148,000

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Can. Electric	6½%	1951	Sep. 1	105
Avalon Tele. deb.	5½%	1958	Oct. 1	100
Wahnapitae Pr.	6½%	1944	Nov. 1	105
Federal Distillery	8%	10-yr.	Aug. 25	105
Hamilton Cataract Pr.	5%	1943	Oct. 1	11[illegible]
Foreign Issues—				
French Line	6%	1951	Aug. 15	103
Norway	6%	1970	Sep. 1	100
Norway	6%	1943	Aug. 15	...
Anglo French	4½%	1940	Oct. 15	100
Argentine Govt.	*4½%	1934	Oct. 1	100
Chile*	6%	1961	Sep. 1	100
Chile*	6%	1962	Sep. 1	100

*In part.

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Bond Tenders

5 p.m., August 12, New Glasgow, N.S.—$60,000, 5%, 30-year debentures dated Aug. 15, 1930. Denomination, $500. Payable, New Glasgow, N.S. M. Wadden, town clerk and treas.

August 15, Town of Bromptonville—$40,000, 5%, serially from May 1, 1931 to May 1, 1960. J. A. Ouellet, sec.-treas. Object of loan: construction of sidewalks.

5 p.m., August 25, School Municipality of the Town of Donnacona—$45,000, 5%, debentures maturing June, 1931 to June 1, 1951.

7 p.m., City of Salaberry de Valleyfield—$160,000, 5%, serial debentures dated May 1, 1930, maturing Nov. 1, 1930, to Nov. 1, 1968. Denominations, $500 and $1,000. Refunding and improvements.

TOWNSHIP OF SCARBOROUGH

Bell, Gouinlock & Co. has been awarded $659,013 5 per cent installment debentures of the Township of Scarborough, Ont. at 98.32, a cost basis to the township of 5.19 per cent. Maturities are as follows: $277,347, 30-installments; $144,429, 20 installments; $88,203, 15 installments and $149,035, 14 installments. Bids for the issue were as follows:

1 Bell, Gouinlock & Co. 98.32
2 McLeod, Young, Weir & Co. 98.11
3 Wood, Gundy & Co. 97.55
4 C. H. Burgess & Co. 97.42
5 Fry, Mills, Spence & Co.
R. A. Daly & Co. 97.38
6 J. L. Graham & Co.
Dyment, Anderson & Co. 96.514

MONCTON, N.B. HOSPITAL BOARD

Eastern Securities and J. M. Robinson & Sons have been awarded $90,000 Moncton Hospital Board 5 per cent 20-year bonds at 98.11; a cost basis of 5.08 per cent. Bids were as follows:

1 Eastern Securities Co.
J. M. Robinson & Sons 98.11
2 T. M. Bell & Co. 99.04
3 Central Trust Co. of Canada 98.67

LEVIS, QUEBEC

J. E. Laflamme Ltd. has purchased $9,000 5½ per cent 20-year serial debentures of Levis, Que, dated May 1, 1930, at 98.72; a cost basis to the municipality of 5.62 per cent. Bids for the issue were as follows:

1 J. E. Laflamme Ltd. 98.72
2 Royal Securities Corp. 98.52
3 L. G. Beaubien & Co. 97.75
4 Credit Anglo-Francais Ltd. 95.00

August 26.—City of Salaberry de Valleyfield. $160,000, 5 per cent, 38-year, serial bonds. L. J. Boyer, city clerk.

August 25.—Town of Donnacona, $45,000, 5 per cent, 20-year, serial bonds. P. Chalifour, sec.-treas.

Wide Paper Exports

The forests of Canada continue to be the chief source of the world's paper supply. During June Canadian paper was exported to 33 countries, ranging alphabetically from Australia to Uruguay.

Ontario Power Service Corporation Limited
5½% First (Closed) Mortgage Sinking Fund Gold Bonds.

In view of the present strong market for high grade bonds, this issue with a yield of 6% is of unusual merit.

The Company has been formed to develop a site on the Abitibi River, north of Cochrane, Ontario. The completion of the full development, 275,000 h.p., is guaranteed by the Abitibi Power and Paper Company Limited, one of the largest and most ably managed paper enterprises in the world.

The complete output of electric energy from the proposed development has already been contracted for by the Hydro-Electric Power Commission of Ontario and the Abitibi Power and Paper Co. Limited.

Under these contracts estimated net earnings are equal to almost twice the interest requirements in the first year of operation, and at an increasing rate thereafter.

We recommend these bonds for investment. Price 94.22 and accrued interest, to yield 6%.

Full particulars on request.

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News of Investment Markets

MIDSUMMER SEES LITTLE ACTIVITY IN BOND MARKET

Small Volume of Municipal Financing is in Prospect

PRICES HOLD FIRM

Anticipated Strength in U.S. During Fall May Be Reflected in Canada

Seasonal slackness is affecting the bond market and little of importance in the way of new municipal financing was undertaken during the latter part of July while the prospects for August are not promising for any volume of new financing with the exception of one or two cities which may or may not decide to go into the market for new funds. Prices hold firm despite the quiet season.

Chief interest during the past week centred in the $20,000,000 issue of 5½ per cent first mortgage bonds of Ontario Power Service Corp. which, offered on a 6 per cent yield basis, is reported to have met a good demand. The issue is the first major hydro-electric power development financing in the form of first mortgage bonds offered to yield 6 per cent since 1926. Sponsored by a strong syndicate headed by Wood, Gundy & Co., the success of the issue will be a reasonably fair index of the market for new public utility issues of high grade.

The issue of $1,500,000 Dominion Tar & Chemical 6's, due 1949, which were offered at par is reported to have been all absorbed. With this issue successfully sold and the Ontario Power Service Corp. issue in good demand, other industrial and public utilities may be offered during the next few months although indications are that only the highest grade of issues will be fully absorbed.

Bond Index at Peak

A composite index of 30 active bonds listed on the New York Stock exchange as compiled by Standard Statistics Co., reached a high of 100.5 on July 28 and 29, which equals the high for the year attained on March 20 and at that point stood 0.6 points above the 1929 high but 1.9 points below the 1928 peak. Standard Statistics make the following comment on the future of the bond market in New York:

"That the upward movement is likely to make further progress is definitely indicated by analysis of fundamental factors governing trends of bond values. The current situation, both in respect to credit conditions and commodity prices, is more definitely favorable to the buyer of long term fixed interest obligations than at any time in the past decade.

"It is felt that abnormally low money rates will continue for some time to come and that authorities of the Federal Reserve Board are committed to making available to business ample funds at unusually low rates. This view is based on the recent open market operations of the Reserve banks and the extension by the New York bank of its 1⅞ per cent buying rate on bankers' bills to cover paper maturing within 75 days when until quite recently it had applied only to paper maturing in 45 days or less. Commodity prices during the past year have declined some 10 per cent in the United States and the purchasing power of the bondholder's dollar is higher than at any time since the war.

Expect Better Prices

"We regard it as distinctly significant that the advance in listed bonds, which has thus far occurred has been accomplished on a comparatively small turnover, and virtually without participation on the part of individual investors. Buying has originated almost exclusively with banks, insurance companies, and other institutions which, owing to the abnormally low returns currently available in the money market are to an increasing extent turning their attention to long term obligations.

"If and when an active public demand for bonds materializes it is probable that few offerings will be found in the neighborhood of present prices. Such a development, except in the event of early revival of speculative interest in equity shares on a large scale, is not likely to be delayed indefinitely. It is entirely possible that during the fall months, a market for fixed-interest obligations may be witnessed which, in strength and activity, will be without parallel in recent years."

Written chiefly for the investor in the United States and with particular regard for conditions in that country, the above comment however is applicable to Canada as well. The views expressed have been expressed in large part by Canadian investment bankers during the past months.

Disher Steel Redeems 2,000 Shares Preferred

Disher Steel Construction Company has improved the position of its 22,500 shares of no par value common stock materially by purchasing 2,000 of the 15,000 preferred shares outstanding in the open market for cancellation. This reduces the annual requirements for preferred dividends from $22,500 to $19,500.

No dividends have been earned on the common stock as yet, but the earnings in 1929 amounted to $3.52 a share after depreciation and taxes. It is understood that earnings for 1930 have kept up well in 1930 to date.

Loan Bodies Not Going Into Farming Business

Report of Large-Scale Industrialized Farms Owned by Loan Companies is Vigorously Denied

The reorganization of agriculture which has attracted so much attention in the past ten years, and more particularly, during the last two or three, may well be said to have captured the imagination of the public generally. Such a movement, although proceeding along sound lines and in the direction of greater efficiency and improved conditions, naturally gives rise to much conjecture as to ultimate possibilities—as in most matters that appeal to the imagination. Often, however, in the exhilaration of theoretical pursuit, fundamental principles tend to be overlooked.

Improved farm practices already begun, and carried out on the proper basis will undoubtedly result in raising the standing of agriculture and materially reduce the cost of farm operations. Two of the organizations actively sponsoring this movement in Western Canada are the Canada Colonization Association and the Colonization Finance Corporation of Canada Limited. The steps recently taken by the latter organization to co-operate with the former led a weekly newspaper correspondent to say that "Big industrialized farms, backed by huge resources of capital, will shortly be organized on the Canadian prairies. Five life insurance companies and two trust companies controlling 848,000 acres of land left upon their hands by the foreclosing of mortgages, are forming a pool to operate their farm lands." As this and other statements gave an entirely erroneous picture of the farm situation in Western Canada, C. M. Bowman, president of the Colonization Finance Corporation of Canada, makes the interesting announcement that the "insurance companies interested in that organization have a smaller acreage of foreclosed farms on their hands at the present time than at any period during the last five years."

Few Foreclosed Farms

Concerning the alleged acreage to be operated Mr. Bowman says "these figures are very misleading as the five life companies and two trust companies have at the present time only a comparatively small acreage on their hands as a result of the foreclosure of mortgages Evidently, the activities of the Canada Colonization Association, a subsidary of the Department of Immigration and Colonization of the Canadian Pacific Railway, have been confused with the Colonization Finance Corporation of Canada Limited, as it is the former which has, during the past five years, colonized approximately 848,000 acres in the three Prairie provinces—only a small percentage of this acreage being represented by farms which had come into the possession of loan companies through foreclosures.

"As a result of the successful colonizing work carried on by the Canada Colonization Association, the seven companies interested in the Colonization Finance Corporation of Canada Limited decided to co-operate with the Canada Colonization Association in putting into effect the system of farm management that has proved so successful in the United States. With this end in view, F. W. Reinoehl, formerly of Larimore, North Dakota, now of Winnipeg, Manitoba, one of the most successful farm managers that the United States has produced, has been engaged as chief farm manager of the Colonization Finance Corporation of Canada Limited.

Not Industrial Plan

"The Colonization Finance Corporation of Canada Limited has no intention of industrializing farms of large acreage on the Prairies, but expects, through Mr. Reinoehl's co-operation with individual farmers operating ordinary-sized farms, to demonstrate the value of scientific farming and place the farms on a profit-making basis.

"Fifteen years ago, the farmers of North Dakota found themselves in a very unsatisfactory condition through soil depletion and the spread of weeds, but through individual operation under the direction of Mr. Reinoehl and others, these farms have again been placed on a profitable basis and it is this work that the Colonization Finance Corporation of Canada Limited, expects to carry on successfully in Western Canada.

"At the present time, the Colonization Finance Corporation of Canada has taken over only approximately 2,500 acres from the member companies of the Corporation, and in addition, has undertaken the management of approximately 15,000 acres that have been colonized for these companies during the past five years by the Canada Colonization Association.

"As the value of far management, under Mr. Reinoehl's direction, is demonstrated by the Colonization Finance Corporation of Canada Limited, it is hoped to increase the organization so as to extend its activities to Saskatchewan and Alberta.

"It is rather unfortunate that several articles recently appeared in the press referring to the activities of the Colonization Finance Corporation of Canada Limited should have confused the work of the Canada Colonization Association with that of the former, as the insurance companies interested in the Colonization Finance Corporation of Canada Limited have a smaller acreage of foreclosed farms on their hands at the present time than at any period during the past five years."

BONDS FINANCE ABITIBI CANYON DEVELOPMENT

Offer $20,000,000 Issue of Ontario Power Service Corp.

MEET GOOD DEMAND

Estimate Production at 275,000 h.p. by 1932; Ontario Buys Block on Long Contract

Marking the first major issue of first mortgage bonds of a hydro-electric development company to be marketed on a 6 per cent yield basis in some years, public offering is being made of $20,000,000 5½ per cent first mortgage sinking fund gold bonds of Ontario Power Service Corp. by an international syndicate headed by Wood, Gundy & Co. The issue is reported to be meeting a ready demand.

The new financing will enable the corporation, subsidiary of Abitibi Power & Paper Co. to undertake a power development on the Abitibi River at Abitibi Canyon; a site estimated to be capable of producing 275,000 h.p. Five units capable of producing this amount will be completed on or before October 1, 1932. Located 64 miles north of Cochrane, Ont., a concrete dam will be erected which will provide a net head of 237 feet.

Power Under Contract

The entire production of electrical energy has been contracted for. The Ontario Hydro-Electric Commission will purchase 85,000 h.p. upon completion and increase this amount annually to 1936 when 100,000 h.p. will be purchased annually thereafter to 1971 with the privilege of renewal to 1982. An amount not exceeding 10,000 h.p. will be available for other consumers at the direction of the Ontario government and the remaining power produced will be delivered to Abitibi Power & Paper Co. which guarantees that for this power it will pay the corporation a sum which, in addition to other revenue received will be sufficient to assure the corporation of net earnings annually for seven years of operation equal to estimates for each year ranging from $2,17,000 in 1932-1933 to $2,868,500 in 1938-39 and at that rate annually thereafter to maturity of the issue.

The project brings the Hydro-Electric Power Commission of Ontario into north-eastern Ontario for the first time on a large scale and through this medium an extensive supply of electrical energy will be available for the development of the mining companies which are operating in the district. In addition, the parent company, Abitibi Power & Paper Co. will secure an adequate supply at low rates.

Some investors, who quite understand the advantage to Ontario Power Service Corp. of the contract with Ontario Hydro-Electric Power Commission for 100,000 horse power, do not understand how Abitibi Power & Paper Co. can use the additional 175,000 h.p. in a way which would pay it for the heavy guarantee which it makes to keep the power subsidiary's revenue up to the promised level. A representative of The Financial Post who visited the power site and the pulp and paper plant at Iroquois Falls early in June, explained the advantages to Abitibi Power & Paper Co in the issue of June 5 as follows:

"It is one of the largest development schemes in Ontario and yet it has a definite market for all the power which is to be developed. Premier Ferguson a month ago announced that the Hydro Electric Commission would take 100,000 horse power from this development, and construct a $3,000,000 power transmission line to Sudbury. The balance of 175,000 horse power, the company states, will be used for steam generation at its pulp and paper plants at Iroquois Falls and Smooth Rock Falls. Already the company uses at Iroquois Falls 5,000 brake horse power of steam-generated electricity from 200 tons of coal and 3,400 B.H.P. from 48,000 electric horse power. At this plant alone it would appear that an additional 72,000 horse power would entirely displace the 200 tons of coal now being used daily. When it has more remunerative uses for this power the use of coal may be resumed but the use of electric power for steam generation in electric boilers has so far been shown a profitable and economic operation for the company."

In other words, the company turns over to its subsidiary for electric power the money now going out for 200 tons of coal daily from one plant. This is practically the total amount which the company guarantees to pay Ontario Power Service Corp. to bring its yearly income up to the amounts shown in the estimate above. What is not needed by the company will be available for the Ontario Power Service Corp. so that Abitibi will have the money there as much its own almost as though it stayed in its own treasury with the added advantage that the surplus not needed by Ontario Power Service Corp. will be Abitibi's.

Details of the issue follow:

$20,000,000
ONTARIO POWER SERVICE CORP., LTD.
5½% FIRST (CLOSED) MORTGAGE S. F. GOLD BONDS

Dated: July 1, 1930; due: July 1, 1950.

Payable: Principal and semi-annual interest, January and July 1, at holder's option in Canada at any branch of the Royal Bank, in New York at the agency of the Royal Bank and in London, Eng., at the Royal Bank.

Denominations: $1,000 and $500, coupon bonds registered as to principal; fully registered bonds in $1,000 and authorized multiples thereof.

Redeemable: In whole or in part, on any interest date after 60 days' notice at 105 on or before July 1, 1935; thereafter at a premium of 1 per cent less for each 5 years or fraction, if redeemed prior to maturity.

Trustee: Montreal Trust Co., Montreal.

Sinking Fund: Cumulative, beginning July 1, 1935, sufficient to retire 40 per cent of bonds by maturity. For the first 5 years the annual payments consist of a basic installment of $300,000 plus interest charges on all bonds redeemed. Basic rate is redetermined in 1940 and 1945 to assure retirement of 40 per cent of the issue by maturity.

Security: A direct obligation of the corporation secured by a first specific mortgage and charge on all fixed assets of the corporation including plant, buildings, equipment and lease on site and contracts; also a floating charge on all assets not covered by specific charge.

Capitalization: On completion of present financing.

	Authorized	Outstanding
5½% 1st. mtge. bonds	Closed	$20,000,000
Common, n.p.v.	40,000 shs.	20,020 shs.

N.B.—All common shares are owned by Abitibi Power & Paper Co.

Offer: $20,000,000, August, 1930, by Wood, Gundy & Co., Guaranty Co. of New York, Royal Bank, Canadian Bank of Commerce, Bank of Nova Scotia, Imperial Bank, Banque Canadienne Nationale, Aldred & Co., W. C. Pitfield & Co., Greenshields & Co., Hanson Bros., R. A. Daly & Co., Bell, Gouinlock & Co., Fry, Mills, Spence & Co., F. W. Kerr & Co., Aird, MacLeod & Co., Eastern Securities Co., Pemberton & Son, Vancouver, and Societe de Placements du Canada, at 94.22 to yield 6 per cent.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Basis
Moncton, N.B., Hospital Board..	July	Eastern Securities Co., J. M. Robinson & Sons Ltd.	5%	20-yr.	90,000	98.11	5.08
Levis, Que.	July	J. E. Laflamme Ltd.	5½%	20 ser.	9,000	98.72	5.62
Scarborough Tnp., Ont.	July	Bell, Gouinlock & Co.	5%	30-ins.	277,347	98.32	5.19
			5%	20-ins.	144,429		
			5%	15-ins.	88,203		
			5%	14-ins.	149,035		

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues	Date Issued	Offered by	Rate	Due	Amount	Offered	Yield
Ontario Power Service Corp. ..	Aug.	Wood, Gundy & Co. and syndicate	5½%	1950	20,000,000	94.22	6%
Bond Issues—							
Ontario-Quebec Stores Ltd.	July	York Fidelity Investment Co., Ontario-Quebec Stores Ltd., Toronto	7%	Pref.	$350,000	$25*	...

*Per unit of one preferred share of $25 par value and one common share of no par value

BIRD'S-EYE VIEW OF WORLD FINANCE

Brief, Intimate Glances at Trend of Things Economic

Prepared weekly by the Bankers' Bond Company, Toronto

Canada

During the past week the Canadian stock markets made definite efforts to be independent of stock movements in New York but were not rewarded with any great amount of success owing to the fact that the numerous interlistings were made the target for bear raids. Agricultural implement stocks have shown some following owing to the widely supported idea that early and complete mechanization of the farm is the only means of reducing overhead and producing wheat at a price which will show a margin of profit in the world's markets today.

Shipments of gold have continued from New York to this country owing to the premium which the Canadian dollar still commands across the border. A slight revision is however noted in the so-called gold expert point, the minimum premium at which gold may be exported to this country without loss from New York. The old gold point fluctuated between 3/16 and 5/32 of one per cent. Recent shipments have reduced the gold point to a premium of 3/20 of one per cent and at this point many of the latter shipments have been effected.

United States

The United States is now confronted with a serious financial problem which calls for a rather radical change in future dealings with international money markets. With the cessation of hostilities the United States emerged as the world's largest creditor nation and since owing to defaulted redemptions and interest, the credit balance has been added to at a speed which has simultaneously proved to be beneficial and detrimental to the American manufacturer. Beneficial because his investment has advanced in value and detrimental due to the circumstance that the very medium which inflated his credit abroad caused a shrinkage in his customers' buying capacity. Manifestly the situation today has been further accentuated owing to the enactment of higher tariffs. The solution lies in the appreciation of this fact that a country like the U. S. should encourage debtor nations to export goods otherwise unfavorable trade balances will continue to prevail.

As an ultimate, what will be the outcome? Total isolation of the U. S. from the rest of the world or absolute cancellation of war debts or the annexation of the rest of the world by the world's leading creditor? The following statistics approximately relates the position of the U. S. in the international money market during the last three years:

(In millions of dollars as at beginning of year)

Assets	1930	1929	1928
Long term investments and other claims abroad .	21,232	20,324	18,917
Short term deposits and acceptances of foreigners	1,908	1,678	1,523
Total assets	23,140	22,002	20,440
Liabilities	**1930**	**1929**	**1928**
Long term investments and other claims of foreigners	4,196	4,659	4,894
Short term deposits, loans and acceptances of foreigners	3,090	2,948	3,121
Total liabilities ..	7,286	7,607	8,015

United Kingdom

During the past decade there has been a decided worldwide trend by most people to invest their savings in securities which would not only yield a fair interest but show an appreciation in the outlay. Doubtless the most advanced strides in this direction has been evinced on the North American continent where the shareholders' lists of some of the leading utility and industrial organizations totalled several hundreds of thousands. This trend has been rather slow in Europe until five years ago when installment purchasing became a rage on that continent. Simultaneous with this fashion the idea of investing in stocks came into being. The average Frenchman or German who usually bought land and built a house with his savings is now inclined to invest in stocks. Although statistics are unavailable pertaining to this expansion on the continent yet the trend is unmistakable. Some time ago a survey was made in the U. K. of the average share holdings of some of the biggest concerns and it was revealed that there were no less than a dozen incorporations who numbered their shareholders between ten and eighty thousand with the average amount of holdings running between seven hundred and two thousand dollars per shareholder.

General

Apropos the remarks in these columns last week the feeling persists that since the general level of depression has been more severe in North America than in Europe, recovery of European trade will be evinced at an earlier date than on this continent. Take for instance the trade returns of the U. K. for the past half year. Exports of manufactured goods which held their ground in the first three months have since fallen about 14 per cent. Despite this, importers continued to buy raw materials, in the expectation that the second quarterly trade returns will almost certainly show an improvement. France is holding its own with regard to world trade and its decline is about 5½ per cent on the aggregate. Germany's total trade has dropped about 5½ per cent and it is possible that recovery may be slow from that country owing to the political situation which is at present pregnant with many party aspirations. Italian imports were $150,000,000 in excess of exports for the first half of the current year and the total decline in value of the external trade amounts to 11 per cent. The average decline in the trade among the important European nations for the first six months of the current year is but 5½ per cent against the 20 per cent or more indicated by the U. S. and Canada. It must also be borne in mind that Europe has only recently commenced to adopt machinery to the extent which would bring manufacturers to the mass production stage when it will be imperative to sell goods at lower prices in order to encourage consumption. This in itself will surely be a valuable factor for an early recovery. On the other hand, conditions in North America such as are patent today do not tend toward any expansion among manufacturers, until some certain portents are available which assure that the consumptive capacity will not be found wanting.

Further definite steps have been taken by the European automobile producers as a counter effect to preclude American dumping of cars on the continent. This is an important move toward retaliation against the new U. S. tariff measures. A conference of producers from France, Germany, Italy, Belgium, Austria, and Czecho-Slovakia will meet to consider means to combat against the dumpting of U. S. made cars at the expense of the native manufacturers. Several years ago, a similar plan was abandoned because of the lack of governmental support. Since the passage of the new American tariff measure the attitude of the governments concerned are said to have changed.

The French cabinet recently approved of a plan of the Minister of Agriculture to advise French farmers to sell wheat at present prices, and also took measures to reduce the cost of living. The percentage of foreign wheat that may be used in flour was increased from 3 per cent to 10 per cent and a general investigation of middlemen's profits was ordered.

World production of silver from the time of the discovery of America, 1492 to 1927 inclusive, has been more than 14,000,000,000 ounces. This is about fourteen times the weight of gold produced during the same period. But more silver has been produced since 1888, a period of 39 years, than was produced in the preceding 396 years. The great silver countries of the past were Germany, Austria, Hungary, Japan and Sweden. These were followed by silver production in large quantities in Bolivia, Peru and Mexico. Then the U. S. began producing precious metals. While it produced considerable silver during the last half of the nineteenth century, it produced more gold than any other nation. In spite of the fact that only fourteen times as much silver as gold (in weight) has been produced in the last 400 years, today gold is worth 50 times more than silver, for the ratio of silver to gold stands at 50 to 1.

Regular Information

The National City Company underwrites and deals in all classes of sound investment securities.

At the beginning of each month we publish for the guidance of investors, a booklet giving a widely diversified list of such securities. Current prices and yields are shown. In addition, each edition contains summaries of the principal facts relating to several bond and stock offerings. Other information of general interest also is published.

We shall be pleased, on request, to send this booklet regularly, as a matter of service, to any investor.

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TORONTO, AUGUST 7, 1930

OUTLOOK FOR BUSINESS

THE business depression of 1921 was world-wide but it affected Canada more seriously than most nations. Even if the war had not come we were due for a severe reaction from the great boom period that culminated in 1912. The war stored up and intensified the reaction and added it to our share of the world-wide post-war trade depression. But the business recession of 1930 is of a different character.

At this time trade depression is general throughout the world, but it is affecting Canada less seriously than most nations. There is reason to believe that business has declined in Canada to somewhere around the bottom of the trough in the current curve. Yet even at this low point, the physical volume of business in the country is well above the 1927 average. Actually, there was more business done in Canada during the first six months of 1930 than during the first six months of 1928 and the full year's story should not be greatly different from that of 1928. To go through a period of business depression and still hold most of our gains of several years of unprecedented prosperity is a very satisfactory showing.

There is no definite indication that the turn in business has come but the dissipation of most of the spirit of pessimism that was beginning to develop in Canada and the signs of strength in security markets are promising factors. The forthcoming winter will undoubtedly see considerable unemployment which may create a general pessimism to becloud underlying improvement. Business men should be careful not to be influenced too much by surface indications and by stray bits of gossip but should study the fundamental trend and make their plans accordingly.

The commodity price level should be watched and retail prices of many commodities will have to be still further reduced before public buying will be stimulated.

Foreign trade is somewhat upset. The United States is likely to lose some of its markets and because of our close affiliation with American business we may suffer some reflex of this. The remedy lies in development of closer and more business-like economic relations with other British countries to enable us to tap the 400,000,000 British market on a preferred basis.

Our agricultural producers will probably continue to face low prices for some time to come. This inevitably suggests the need for further farm mechanization and large-scale farming to reduce costs to a competitive level. Stimulation of quality production and strict grading will aid us in recapturing or holding markets for bacon, cheese, butter, apples, tobacco, honey, and other products of our farms.

The immediate business outlook is not sufficiently bright to call for throwing caution to the winds, but investments for future business may be made with absolute assurance that Canada is still on the highroad of its greatest national development.

HIT ONTARIO FIRST

ONTARIO has long been the chief publishing centre of Canada. Recently, however, various publications formerly printed and mailed from Ontario have moved their publication offices to Quebec province. This in no way alters their editorial contents or distribution, but it enables them to accept for insertion advertisements of liquor concerns. Changing the offices of publication is a logical form of protest against Ontario's ban on liquor advertisements and makes it possible to place liquor advertisements before the citizens of Ontario. The Ontario law merely circumscribes the activities of Ontario publishers and gives advantages to competitive publishers in other provinces.

Ontario's ban on liquor advertising is so strict that even innocent advertisements of other products come under control. Recently a concern manufacturing signs desired to reach the business men of Ontario with the story of a monster electric sign it had installed for a Quebec company. Ontario papers were required by the Liquor Control Board to refuse publication to the advertisement because the electric sign—which was pictured—advertised a popular brand of ale. Such discriminatory policies are entirely outside the proper sphere of the Liquor Board.

Three publications in Quebec provinces have a circulation of over 80,000 in Ontario. Scores of other publications in that province have large circulations in Ontario. Those wishing to advertise liquor to Ontario people can and do use these publications. The Ontario ban on liquor advertising does not, because it cannot, prevent Ontario people from reading liquor advertisements. All it does is ensure that the revenue from this legitimate form of advertising shall not go to Ontario publishers and to give an advantage to distillers and brewers located outside the province and shipping into Ontario over Ontario producers whose chief market is their home province.

CAP DOES NOT FIT

THE Western Producer, a farm paper published in Saskatoon, Sask., is strongly behind the plan of a compulsory pool. It is unalterably opposed to any form of speculation (except perhaps the form of speculation that the wheat pool, itself, has indulged in, in the last year) and its policy is, to use its own words, for the wheat growers "to chain themselves by voluntary votes to the altar of co-operative freedom." Somehow to prove its case this western paper finds it necessary to show the evils of speculation and it takes The Financial Post as an example.

The Western Producer calls The Financial Post the proponent of the doctrine of liberty in the marketing of farm products, which is true. The Financial Post, it says, makes its living by telling people how to make $2 grow where $1 grew before, or, in other words, how to get rich without rendering any useful service to the community, which is not true. The Producer points out that the recent disclosures in the trial of Solloway and Mills have given the people ample evidence that all is not well in the camp of the speculators and just to tie up The Post with Solloway, Mills it says that the wheat growers are now out to kill the thing for which The Financial Post stands, it states.

If the inference in this is that The Financial Post stands for the type of speculative activity that was represented by Solloway and Mills, the Western Producer is quite wrong. Our readers know very well that it was The Financial Post that exposed the practices of the Solloway-Mills group or type of financial operators and brought about the extensive reorganization of mining brokerage in Canada and the prosecution of those who were guilty of unethical practices. The Western Producer does not need to kill the financial operations for which Solloway and Mills stood as The Financial Post has already done that job, and done it thoroughly.

The investor cannot be charged with rendering no useful service to the community. Capital is one of the important elements in modern production, and capital must be paid just as much as the producer of raw materials or the laborer. One of the functions of The Financial Post is to aid its readers in utilizing their capital to the best advantage. In doing so it makes no pretence of being a tipster sheet. In fact, our policy makes no provision for aiding our readers in making money in purely speculative trading transactions in the stock market.

If it is the object of the western wheat grower to eliminate speculation in marketing farm products he cannot do it by forcing a system of co-operative marketing upon unwilling farmers who wish to retain their independent position and their undoubted right to market their products as they will. Such a plan will make the marketing of the entire crop much more speculative than it possibly now can be. It will eliminate the keenly adjusted system of checks and balances which is given to modern business by the speculator and independent trader.

BRIGHTER OUTLOOK

DISPATCHES from London that give Premier MacDonald's views as to fit subjects for discussion at the economic session of the Imperial Conference in the fall do not give any real clue as to the policies the British delegates will bring to the conference. Representatives from Dominions will not be satisfied to have indefinite alternatives substituted for definite tariff preferences such as the Dominions themselves have given to Britain.

One of the alternatives mentioned by Mr. MacDonald is a plan for bulk purchases of Empire goods. Mr. Snowden in a recent debate, indicated that a plan for bulk buying of Britain's wheat supplies might come before the conference. Canadians will be pardoned if they refrain from becoming enthusiastic over this plan. It probably means that Britain will try to buy its wheat in the cheapest market and that if the Dominions do not undercut Argentine and Russia that they will get no wheat orders. The Financial Post has already exposed the fact that the author of this bright scheme, toyed with by MacDonald and Snowden, is no other than the foreign trade adviser of the Soviet co-operatives. Canadians do not want a British preference managed from Moscow.

It is hard to see, though how, the British government can resist the trend at home. The leading labor men of Britain have come out strongly for a policy of protection and the bankers have done the same. Thus the two outstanding groups that have in the past stood for free trade have reversed their positions and are now protectionists and are obviously supporters of any sound scheme for British Empire preferences. Mr. Snowden is still a main stumbling block in the way of an abandonment of free trade principles by the present government, but even Mr. Snowden is astute enough to measure the force of British sentiment at the present time.

Our new prime minister's declared policy insures that Canada, at least, will insist upon reciprocal treatment. A statement made by Premier Hertzog of South Africa before leaving for London suggests too that South Africa will not continue to give favors to British manufacturers without receiving some commensurate benefits from the British market.

On the whole the outlook for the Imperial conference is bright. The manifestoes of the British labor leaders and leading bankers and the speeches of Baldwin and other political leaders have paved the way for British acceptance of a policy of protection that will include substantial empire preferences. The victory of the Conservatives in Canada and the recent moves in the direction of higher protection, combined with Empire preferences, in New Zealand and Australia, are also influences that will tend to make discussions at London of a practical nature.

TOO MUCH IN WORDS

IN LAST week's issue of The Financial Post there were published 44 resolutions passed by the 12th Congress of the Federation of Chambers of Commerce of the British Empire, held recently in London. No doubt all of these resolutions will be brought to the attention of the governments of the Empire by the different delegations that were present from Canada, New Zealand, Australia, South Africa, Great Britain, etc. But one may well wonder how much attention such an encyclopaedic range of resolutions will receive from any busy government. The resolutions will probably be politely acknowledged and filed, to be entirely forgotten by the politicians and government officials who receive them.

No business or other organization ever accomplished anything merely by passing a resolution. A resolution is an expression of opinion with which may be coupled a call for action. A resolution, well framed after adequate discussion, if backed by important and influential interests who undertake to see that it gets widespread publicity, and to follow it up with the proper governmental authority, has some chance, if it is based on sound premises, of being acted upon. A resolution passed and submitted is as valuable only as the authority demonstrated to be behind it and usually it cannot be taken for granted that those who receive the resolution will appreciate the degree of authority which may be behind it.

The Federation passed too many resolutions. Its object we know is to obtain some business-like examination of the possibilities of the trade resources of the Empire, and this it can attain only by active effort, patient vigil, and intensive study coupled with sincere and unrelenting propaganda. In Canada such attention is likely to be given by the heads of the Canadian Chamber of Commerce. But Canada had the strongest delegation—in calibre of men represented—at the meeting in London, and it is not likely the work of the conference will be followed up in Great Britain and the other dominions to the degree that it is likely to be followed up in Canada.

CYCLES AND POLITICS

MR. KING and the Liberals came into power at a time of business depression. They rode upward with the country on the cycle of prosperity and took a great deal of credit to themselves for having created that prosperity. But when the cycle moved on remorselessly again to something like depression the Conservatives blamed the Liberals for hard times.

Mr. Bennett and the Conservatives are going into power at a time of business depression. But, in the words of the popular song now current: "good times are coming" and Mr. Bennett and his colleagues will no doubt not fail to point the moral. But hard times will come again (recent events having demonstrated that business cycles are still with us) and then no doubt Mr. Bennett and the Conservatives will blame world conditions and the Liberals will blame the Conservatives.

Canada has its ups and downs (though mostly ups) whether Conservatives or Liberals are in power. No government at Ottawa has ever shown any ability to control the business cycle and the degree to which any of them has modified the effect of the business cycle on Canada has not varied much between governments of different political affiliations.

Nevertheless, the party in power will always continue to take credit for good times and the opposition will retaliate by waiting for bad times and then blaming them on the government. It is a little game of political make believe, most people know that it is, but it goes on just the same and will continue until human nature and politicians change.

EDITORIAL NOTES

AN AMERICAN brokerage house remarks: "While we are now in one of the valleys into which it seems inevitable that business should dip from time to time, this valley is at a much higher elevation than the last. This is the best possible reason for expecting that the next peak will also be higher than the last."

* * *

CALVIN COOLIDGE judged too much by superficial appearances when he interpreted the election results as reflecting national as opposed to Imperial influences. He no doubt read too many of Mr. King's speeches or too many Toronto Globe editorials and assumed that Canada's future in the Empire was contingent upon a Liberal victory. But the new government is committed to a policy of advancing reciprocal trade preferences in the Empire and these will build strong Imperial ties.

POST-scripts

ONE of the Toronto radio stations broadcasting Dominion election results received a wire from somewhere in Wisconsin which read something like this: "Broadcast coming in fine. Greatly interested in what you have to say but what is it all about?"

This is a very significant commentary on the ignorance of the average American citizen on things Canadian. If a national election were taking place in the United States, practically every citizen in Canada would not only be aware of the fact but would be interested in knowing the results. In fact some of our Canadian stations would arrange to intersperse results in their ordinary programmes. Similarly when there is an election campaign on in Britain it is keenly followed by all Canadians.

Our close proximity to Uncle Sam and our sentimental and blood attachments to John Bull give us international interests and wider understanding. We can feel not only sympathy but a sense of superiority when we hear the plaint of the poor Wisconsinite.

THOSE who follow the adventures of "Mickey Mouse" may be astonished to hear that the one adventure he was never expected to encounter has befallen him—he has been censored. This has happened on account of his trip to the trenches.

His friends will remember that on this trip Mickey wore a képi, and that, with his usual ingenuity, he there outwitted at every turn a number of very dangerous looking cats wearing steel helmets of the German pattern. The German Board of Film Censors says gravely that the "artist evidently aimed at a comic representation of an action in the War. While the victorious mouse is distinguished by the French képi, his enemies the cats are clearly recognizable as the German Army by their German steel helmets."

The Board thinks that Mickey's trip to the trenches is calculated to "reawaken the latent anti-German feeling existing abroad since the War" and to wound the patriotic feelings of German cinema-goers." The exhibition of the film has therefore been forbidden.

New Books

Canadian Customs and Excise Tariffs

The new 1930 edition of the Handbook of the Canadian Customs and Excise Tariffs is the fortieth edition. It brings all customs and tax information up to July 1, including recent tariff changes.

The handbook is the standard Canadian authority. It is published by McMullin Publishers, Montreal, at $4.

Swing to Protection Idea Now Is Marked in Britain; Dole Is Lesson to Canada

By TRAVERS SWEATMAN, K.C., Winnipeg

After three months spent in the British Isles, visiting practically all of the leading centres, I am convinced that the outstanding barrier to Britain's early economic recovery is the serious burden imposed upon industry and capital by the excess of paternalistic legislation. The tragedy of the dole is not alone the actual cost to the taxpayer but the effect on the morale of the workers. Many people have learned to subsist without working and they will never want to work again.

In many places that I went, when people learned that I was from Canada, I heard some such remark as this, "Oh, you're from Canada. You have to work for everything you get in Canada, don't you?" This is indeed an arresting commentary on the current attitude of too many Britishers. The time-honored British tradition of taking pride in independence and self-support is fast disappearing. In its place we have a tendency to rely upon the government as though the government had vast sources of revenue apart from the earning power and production of the people themselves. Obviously some one must pay the bills and in Britain the bills are being paid out of capital. The old estates are being broken up and sold or mortgaged and the burden on the wealthier classes is practically confiscatory.

Swing to Protection

Six years ago I attended the meetings of the Federation of Chambers of Commerce of the British Empire in the Guildhall, London. On that occasion I remember well how the British delegates to a man voted down any suggestion of preferential trade within the Empire. On this visit I found a complete change of sentiment in this respect, from the south of England to the north of Scotland. Even the present Labor Government recognizes that a profound change in economic policy is necessary to save Britain and it is almost certain to embrace protection and, with that, British Empire preferences. The protectionist manifesto of the British bankers made a remarkable impression, more sobering in its influence than the Beaverbrook-Rothermere campaign.

Business men now are beginning to admit that their industrial plants are hopelessly antiquated and must be thoroughly modernized if Britain is to maintain its place in the industrial race. Given some measure of protection against goods that are being dumped even in their home market by producers in France, Germany, the United States and other countries, the British industrialist is likely to undertake modernization of his manufacturing equipment.

Caution in Immigration

A few years ago I was of the opinion that the chief need of Canada was a vigorous immigration policy but I have completely changed my mind. I feel that we should move very slowly in this direction and leave the development of Canada to its natural growth, plus some worthwhile immigrants as will come to Canada ready to make their own way by working for what they will get. It would be particularly dangerous for Canada to try to solve Britain's unemployment problem by bringing out here at public expense large numbers of persons whose moral fabric has been destroyed by reliance upon public funds for their existence.

We should be very careful in Canada that we do not import paternalistic ideas from Britain or other European countries. The present conditions in the Old Country demonstrate that continued reliance upon the old qualities of industrial initiative and self-help are necessary to build a permanent and lasting nation here. There has been in recent years a tendency to undermine our democratic structures by passing all sorts of paternalist laws and the lesson of Great Britain is that this will defeat us in the attainment of our economic and national objectives, if permitted to go to excess.

Other People's Views

Geography

St. John's (Nfld.) News.—Geography is always changing, but in the past dozen years its changes have been so many as to leave many a person puzzled. Many capital cities have moved their location or changed their name. Constantinople has become Stambdul and is no longer the capital of Turkey, but Anatolia. Christiana is now Oslo; St. Petersburg is now Leningrad, and gives way to Moscow as the capital of the Russian Union of Soviet Republics. Nanking is now the capital of the Chinese republic in place of Peking. And when we come to examine the changed map of the world since the war, the frontiers become a puzzle to all but the well informed geographically. "What's the use of geography?" was often the plaint of the pre-war school child. Without a knowledge of it today both he and the adult travel in the dark. The all-embracing extent of the news service today cannot be intelligible without geography, but how few have knowledge of even the geography of their own country.

Too Many Elections

Manitoba Free Press.—We are supposed to have quinquennial Parliaments in Canada. Since December, 1921, less than nine years ago, we have had four general elections. In the same interval of time the United States has had only two presidential elections. A general election in Canada is a serious thing for the country. This has been especially true of the one we have just passed through.

Economics of Wages

Journal of Commerce, New York.—A great deal of hypocritical nonsense has been talked, for instance, about the policy of paying high wages as a matter of deliberate choice. In fact, many employers are forced to pay high in periods of active business when the balance of bargaining power lies with the employee. The converse situation holds in times such as the present. Many employers who regret the necessity, are nevertheless forced to cut wages, whatever their opinions may be as to the ultimate effect upon the public welfare.

Many Americans Pleased by Result of Our Elections

By M. M. WILNER

WASHINGTON.—Reactions in the United States toward the election results in Canada reflect much the same opposite extremes that are exhibited in the thought on domestic politics. At one end is the free-trade philosopher who sees in the prospective Canadian policies a serious blow to the markets and industries of the republic.

The New York Times, for example, a most conservative paper, permits itself to foresee a tariff war and it adds warningly:

"But if that war comes, it has distinctly been provoked by our own customs legislation. Even the Fordney-McCumber Act contained rates that the Canadians felt were aimed directly at them. By the Hawley-Smoot bill the Canadian grievance has been made more acute."

The New York World thinks it a certainty that the United States will lose export trade through legislation to which the Canadian Conservatives are committed. It says that "they are talking tariff exactly as our standpatters talked it in Washington."

There is a graduation of judgment which, while based on the reasoning that increased Canadian protection will diminish exports from this country, argues that the loss will not be so serious as the more gloomy predict.

See Benefit to States

Then there is the convinced protectionist element which contends that if Canada increases the prosperity of her own people, she will put them in position to buy more liberally and thereby actually will stimulate the sale of goods which the United States exports. A conspicuous spokesman of this view is Senator James E. Watson, of Indiana, the Republican floor leader. He is said to have reached his conclusions partly from conferences with some Canadian Conservative leaders who recently visited Washington. He looks to the influence of capital drawn from the United States for investment in Canadian enterprises and to an abolition of the British preference to bring results which ultimately will be favorable to the United States.

A logical application of the protectionist philosophy is made by no less a person than former President Coolidge. He says:

"Whatever will make the Dominion prosperous would be welcomed by us. We have never directed our tariff policy at the Canadians and do not expect they will direct theirs at us, but any general policy of protection to build up the country would in the end make them better customers for our goods. We can best deal with a country that maintains our standards of living."

Canadians may find some gratification in the fact that the most friendly sentiments toward them come from sources nearest to the border, where acquaintance is closest. One type of such expressions is represented by the Watertown Times, which observes that international relations under the Mackenzie King ministry have been particularly cordial and that the people of both countries have benefitted by this policy, adding the hope that friendship and cooperation will be continued under Mr. Bennett.

The Buffalo Evening News, anticipating Mr. Coolidge's development of the protectionist idea, argued that those who believe in protection as a principle must recognize that it applies to Canada as distinctly as to the United States. In so far as the Canadians increase their own prosperity and raise their wages and living standards by protective tariffs, the News reasons, they will enhance their buying power. If their buying power increases, the general volume of trade with Canada, instead of diminishing, will expand. Some lines of commerce may be affected unfavorably by efforts of Canada to reserve the home market for home products, but new lines will be developed and greater quantities will be consumed.

The News adds that the thing to be feared in either the United States or Canada is an increase of industrial depression. This would cut down both domestic and international trade and would tend to produce political feeling hostile to any government which might be in power.

Oil Production Larger

The production of oil from all the Alberta fields during April totalled 92,404 barrels as compared with 74,844 barrels in the same month last year, according to the compilation of the Department of the Interior. The naphtha production was from the lime formations in the Turner Valley, while of the total of 8,390 barrels of light crude produced, 5,617 were from the Turner Valley and the remainder from the Red Coulee field. The heavy crude came from the Wainwright field.

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British Columbia's Pulp and Paper industry has grown from nothing in 1912 to the point where British Columbia's Pulp and Paper is sold in every market in the world.

British Columbia last year sold 26,000 tons of Canned Salmon to thirty-one different countries.

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Business Conditions in Canada

BUTTER IMPORTS AT HIGHER FIGURE; CHEESE SALE LOW

On Whole, Though, Dairy Factories Prosperous in Year 1929

Despite greatly increased butter imports, butter producers enjoyed high production in 1929 because of larger consumption per capita. Estimated consumption of butter in Canada for four years is as follows:

	Total lbs.	Per Capita lbs.
1926	267,014,555	28.44
1927	273,431,070	28.72
1928	280,657,076	29.06
1929	299,348,271	30.56

Home producers supplied the major portion of the butter. Home production and exports compared as follows:

	Production*	Imports
1926	274,209,287	9,151,882
1927	271,978,947	11,208,819
1928	258,027,039	16,801,656
1929	264,724,650	35,928,249

*Includes home-made butter.

While just failing to hold their own in the home market, our butter producers could hardly hope to build export trade. Butter exports were as follows:

	lbs.
1926	9,814,013
1927	2,696,000
1928	1,994,800
1929	1,400,000

Cheese Does Less Well

Canadians ate less cheese in 1929 and foreign markets took much smaller quantities. As a result, cheese production dropped. Canadian imports very little cheese. Production figures follow:

	lbs.
1926	172,231,631
1927	138,556,908
1928	145,084,619
1929	119,146,039

Exports declined as these figures indicate:

	lbs.
1926	134,656,000
1927	110,533,000
1928	114,152,500
1929	92,946,100

Cheese consumption figures for Canada follow:

	Total lbs.	Per Capita
1926	37,902,926	4.04
1927	32,202,172	3.38
1928	35,091,580	3.63
1929	34,691,765	3.54

The total value of output of the dairy factories of Canada in 1929 was $142,665,521, compared with $144,373,614 in 1928 and $135,910,930 in 1927. The decrease from 1928 to 1929 is due to the smaller quantity of cheese produced, the total output in 1929 being less in quantity than in 1928 by about 26,000,000 pounds and in value by about $9,000,000. The production of butter on the other hand increased in quantity by about 6,500,000 pounds and in value by about $2,500,000.

The production of creamery butter in 1929 amounted to 174,724,465 pounds, valued at $67,291,136, an increase in quantity over the previous year of 6,697,426 pounds or four per cent, and in value of $2,588,598, or four per cent. The quantity in 1929 is exceeded by only three years in the history of the industry, while the value exceeds that of any previous year. The average price per pound in 1929 was exactly the same as in 1928, viz., 38.51 cents.

Cheese at Low Level

The quantity of factory cheese made in 1929 was 118,646,039 pounds, valued at $21,388,122. The output, both in quantity and in value, is the smallest shown for any year of the period 1900 to 1929, and is less in quantity than the product of 1928 by 25,938,580 pounds and in value by $9,106,341. The average price per pound in 1929 was 18.03 cents, compared with 21.09 cents in 1928.

The total value of all concentrated milk products in 1929 was $10,485,739, compared with $10,226,415, in 1928. The chief items were condensed milk and condensed skim milk, value $3,287,032; evaporated milk $5,063,913; and milk powder and skim milk powder, $1,776,741.

The quantity of ice cream made in dairy factories in 1929 amounted to 7,205,144 gallons, valued at $9,809,686, compared with 6,353,077 gallons, valued at $8,560,391 in 1928. The value of whole milk sold by the factories in 1929 increased over the preceding year by 7½ per cent, and the value of the cream sold by 19 per cent. The total value of all miscellaneous products sold by the factories in 1929 was $43,500,524, compared with $38,950,198 in 1928.

The total number of dairy factories in operation during the year 1929 was 2,807, comprising 1,202 creameries, 1,290 cheese factories, 285 combined butter and cheese factories, and 30 condenseries.

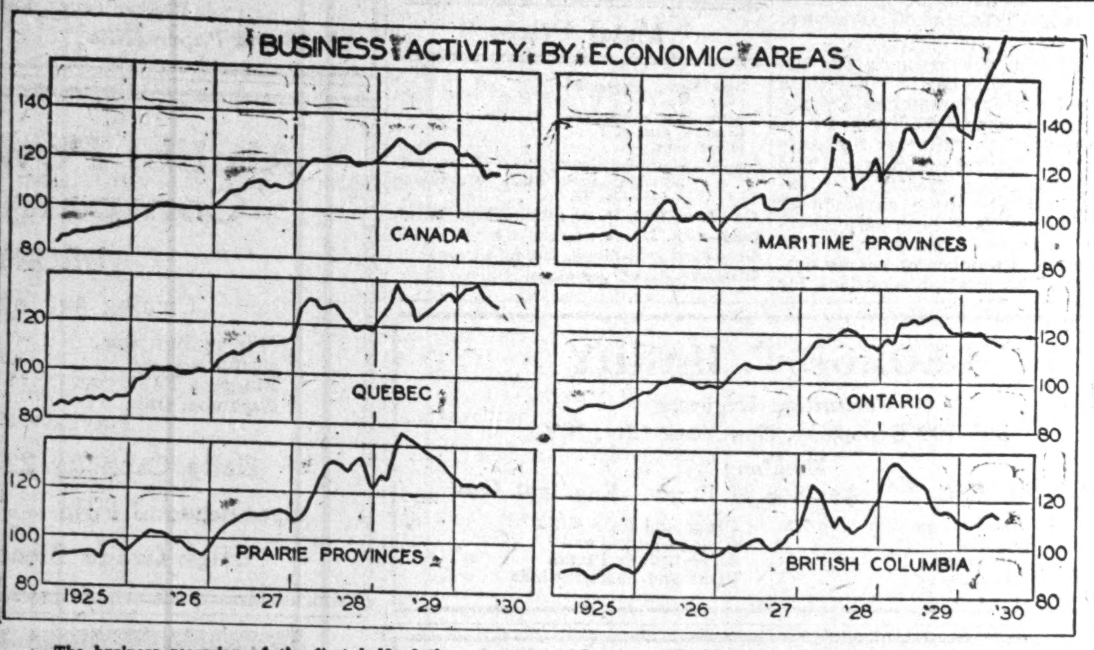
Imports and Exports

The total value of dairy products imported into Canada during the calendar year 1929 was $13,456,785, compared with $6,580,915, in 1928. The increase is due to the large imports of butter. The quantity of butter imported into Canada in 1929 was 35,928,249 pounds, valued at $12,714,253, compared with 16,801,656 pounds, valued at $5,937,170 in 1928. The value of butter imported in 1929 accounted for 94 per cent of the total value of all imports of dairy products in that year.

The value of exports of Canadian dairy products dropped from $36,230,617 in 1928 to $28,398,549 in 1929, the decrease in the exports of cheese accounting for most of the total decrease, although decreases are also recorded in the exports of milk, cream and butter.

The per capita consumption of butter in Canada (including creamery and home-made), according to a preliminary estimate, was 30.56 pounds, compared with 29.06 pounds in the preceding year. The per capita consumption of cheese is estimated at 3.54 pounds, in comparison with 3.63 pounds in 1928.

Maritime Provinces Brightest Business Spot



The business recession of the first half of the present year was general in each of the five economic areas of Canada, except the Maritime Provinces. While business activity was at a high level in Quebec during the first quarter, a decline was in evidence in the second. Moderate recession has been shown in Ontario from month to month since the maximum was reached in August of last year. Business operations during the first six months were fairly well maintained in the western areas at the reduced level resulting from decline in the latter part of 1929. The repeated sharp gains in the Maritime Provinces are illustrated by development in the use of hydro-electric power and in the enhanced employment of man-power.

Maritime's Business Moves Up, Bucks Trend

New High Record for Trade Down by Sea—British Columbia Shows Rebound—Other Areas Lose

By SYDNEY B. SMITH

A compilation of seven significant factors indicates that recession was in evidence during June in each of the five economic areas of Canada with the single exception of the Maritime Provinces. The index for Canada as a whole had shown a temporary rebound in May and the decline in June was insufficient to counterbalance the gain of the preceding month. The level of business activity measured by this index is lower than in 1928 or 1929 but higher than in 1927 and preceding years. A declining trend has been in existence for about twelve months, but recently a tendency toward stabilization has put in an appearance suggesting that the next important change may be toward a return of prosperity.

Construction Record Fair

The index resulting from the averaging of the seven factors after adjusting for seasonal tendencies and weighing according to relative importance, was 116.2 in June compared with 116.5 in May. The construction industry made a good showing in spite of the business recession, the gain in the award of contracts, after seasonal adjustment, being 22 per cent. This result was attained despite the fact that only seven contracts were placed with a value of $1,000,000 or more and no contract was estimated in excess of $2,000,000.

Bank debits showed a gain of 4.5 per cent and sales of insurance were up nearly 10 per cent, due allowance being made for seasonal tendencies in either case. Sales of insurance during the first six months show a decline of 2 per cent from the same period of 1929, the disparity being shown mostly in January and February. The drop in the half year total of bank debits was no less than 16.6 per cent, reflecting the reduced amount of financial transfers due to lessened economic activity and lower prices. The index of industrial employment, after adjustment for seasonal tendencies, was 113.4 on July 1 compared with 114.0 on June 1. While this recession is slight, a study of the sub indexes shows that greater recession occurred in manufacturing than would be indicated by the general index, the decline in factory employment being nearly counterbalanced by gains in other lines, especially construction and trade.

Maritimes Move Ahead

The Maritime Provinces present a striking contrast to the remaining economic areas. Since the first of the year, the index of business activity in the Atlantic provinces have shown sharp successive gains. An analysis of the seven factors used in determining the trend shows that most of the increase in the index was owing to marked gains in the output of electric power and in employment. As the output of the central electric stations was 33,419,000 kw.h. in June, compared with 14,543,000 kw.h. in the same month of last year, an increase of 130 per cent, it will be evident that rapid strides are being made in the harnessing of the water powers of the provinces for industrial and domestic purposes. The world-wide business recession has not adversely affected the employment situation in the Maritime Provinces. During June, for example, 12,841 employees were added to the working staffs of the 577 firms making returns to Ottawa, bringing employment to a much higher level than in any other month of the last ten years. The index of employment was 141.1 which compared with 127.5 on August 1 of last year's, the previous maximum. As a result of these gains, and improvement in other lines, the business index of 179.2 in June compared with 170.8 in May and 135.1 in January last. These comparisons emphasize the altered outlook in economic conditions in the area during the last two or three years.

Recession in Quebec

The business index for Quebec indicates recession during the second quarter subsequent to the maintenance of a high level during the first three months of the present year. Adjustment being made for seasonal tendencies, the index shows that no reaction to world-wide depression was in evidence during the first quarter, conditions being more active than in any other quarter during the period of observation from the beginning of 1925 to the present time. As four factors out of the seven showed gains in June, the general index was not greatly changed from the level of the preceding month, the recession in the index being limited to one per cent. Construction contracts awarded were in heavy volume for the month, the total being in excess of $22,000,000. Employment on July 1 showed a gain over the beginning of the preceding month, indicating heightened activity in construction, transportation and trade, while manufacturing showed decline.

Further Ontario Decline

The downward slope of the business index of Ontario was continued in June, an extension of the gradual recession in evidence since last August. Most factors used here in the determination of the business trend were less favorable in June. Building permits at more than $10,000,000 were at a high level for the month showing gains over the preceding month and the same month of last year. Despite gains in transportation, construction and trade, employment was less active in June, declines being shown in manufacturing and mining. The business index of Ontario dropped from 116.7 in May to 115.0 in June.

New Low on Prairies

A new low point on the present movement was reached by the business index of the Prairie provinces. The maximum for the period of observation was reached in April of last year and subsequently a steady decline was in evidence to the end of the year. Since the first of the present year, business activity has been fairly well maintained at the reduced level. The construction industry was favored in June with contracts of large amount, while the increase shown by employment was not equivalent to the normal gain for the season. Bank debits at $558,000,000 reflected greater activity in the grain trade. The business index for the three provinces dropped from 122.3 in May to 120.1 in the month under review.

Business activity in British Columbia showed a rebound in the first six months of the present year, though recession was again shown in June from the level of the preceding month. A favorable showing was made by the award of construction contracts and life insurance sales gained over the preceding month, increases being 16 and 8 per cent, respectively. Other factors were unfavorable and the business index dropped from 115.0 in May to 112.7 in June.

Rubber imports continue to hold up fairly well indicating a considerable degree of activity at tire plants. Compared with one year ago imports for June were down about 16 per cent. Imports in June were 5,777,423 pounds of raw rubber compared with 5,809,139 pounds in May and 6,926,564 pounds in June, 1929. Dollar value dropped nearly one-half due to decline in the price of rubber.

CROP PROSPECTS ARE 25% OVER '29

Possibilities of Local Damage Still Are Serious in Some Parts

W. Sanford Evans, Statistical Service, Winnipeg, estimates prospects for the western crop as considerably better than last year. It says:

"With the wheat heads filling, the greater proportion being in the milk or early dough stage, the limits of recovery from adverse weather earlier in the season are about reached. Weather factors during the next few weeks will either assist the wheat to come to maturity with well-filled kernels or cause further deterioration.

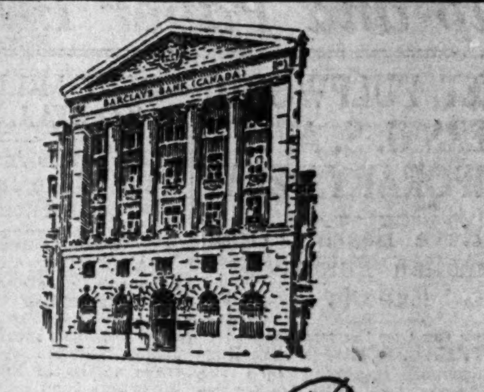
"Of these factors drought and extreme heat may still cause more damage, likely to be confined to southern and part of the central sections of Saskatchewan and Alberta, as sufficient moisture is fairly well assured in most of the northern areas and in Manitoba, but the factor receiving the most attention at present is rust. The appearances of the disease up to date have not been unduly widespread but as some time still remains till harvest is general, the danger is not past in Manitoba and eastern Saskatchewan, though there is little chance of serious loss elsewhere. In Manitoba 36 stations reported some rust and 49 none. If within say a week considerably more appearances of the disease are not reported the effect on the total crop should not be unduly heavy, though local damage might be serious. Hot, damp weather will almost certainly be favorable to further infestation and development. The other serious factors to be considered later in the season are frost and wet weather at harvest. There will be quite wide variations in maturity dates with some fairly large acreages of grain in northern areas, as well as the fields resown in June after drifting, which may be susceptible to frost.

"Our report three weeks ago estimated prospects as 20 to 25 per cent better than last year at this date. We now consider there has been a net improvement since this estimate and that the percentage figure should be raised somewhat."

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1930	1929	Cumulative for Year 1930	1929
C. P. R. Gross earn. (July 21)	$ 3,141,000	$ 4,209,000	$ 91,178,000	$ 111,830,000
C. N. R. Gross earn. (July 21)	$ 4,240,947	$ 5,455,463	$ 121,457,441	$ 146,188,914
Car Loadings (July 26)	59,374	70,053	1,765,180	1,931,564
Stock Index (July 26)	782.8	1170.1	......	......
Production—		Monthly		
Pig Iron, tons (June)	66,081	89,873	451,186	518,557
Steel, tons (June)	95,321	119,505	628,998	788,842
Newsprint, tons (June)	213,634	225,055	1,283,922	1,311,322
Automobiles (June)	15,090	21,492	110,685	188,861
Boots and Shoes, pr. (May)	1,524,938	1,688,350	7,374,139	7,969,638
Flour, bbls. (June)	1,160,922	1,548,000	7,208,226	9,832,000
Mineral Production—				
Gold, oz. (April)	169,166	153,389	632,487	605,618
Silver, oz. (April)	2,568,017	1,326,251	7,933,672	5,581,369
Nickel, lb. (April)	10,190,755	9,473,039	36,989,935	36,360,452
Copper, lb. (April)	26,599,188	18,328,736	103,956,820	75,474,431
Lead, lb. (April)	29,360,473	27,103,985	116,687,295	96,266,602
Zinc, lb. (April)	20,180,602	17,746,976	80,968,266	68,854,107
Coal, tons (April)	907,451	1,394,330	4,852,658	6,017,058
Natural Gas, M. cu. ft. (Apr.)	2,433,026	2,529,957	12,516,885	11,950,937
Petroleum, bbls. (April)	102,335	83,542	412,142	261,132
Automobile Financing—				
Used Cars (May)	$ 4,537,871	$ 5,775,802	$ 14,226,840	$ 15,415,675
New Cars (May)	$ 4,777,245	$ 6,230,417	$ 13,897,846	$ 18,999,901
Construction—				
Building Permits (June)	$ 17,935,478	$ 27,816,592	$ 83,214,024	$ 124,609,267
Contracts (July)	$ 37,374,400	$ 57,940,700	$ 278,000,400	$ 336,062,400
Labor—				
Employment Index (July)	118.9	124.7	......	......
Trade—				
Imports (June)	$ 91,543,971	$ 111,949,272	$ 543,100,691	$ 664,411,017
Exports (June)	$ 78,703,281	$ 112,176,179	$ 436,500,438	$ 577,323,077
Imports of Key Products—				
Rubber, lbs. (June)	5,777,423	6,926,564	32,606,806	46,668,915
Cotton, lbs. (May)	7,056,000	11,219,000	40,775,423	71,664,967
Sugar (May)	$ 2,569,169	$ 2,090,585	$ 6,174,499	$ 7,152,886
Petroleum, crude, gal. (June)	110,593,070	115,563,248	492,136,995	418,885,053
Coal, tons (June)	1,887,497	1,754,500	7,230,426	8,469,131
Exports of Key Products—				
Newsprint, cwt. (Apr.)	3,196,043	....	14,960,616	....
Automobiles, No. (May)	3,024	9,561	19,930	51,528
Wheat, bush. (May)	13,466,884	27,073,295	40,214,642	91,645,395
Wheat, flour bbls. (Apr.)	451,395	720,050	2,115,567	4,064,142
Electric Power—Output—				
M. Kilowatt hours (May)	1,535,445	1,456,687	7,473,602	7,190,650
Population—				
Emigration (May)	4,216	5,197	......	......
Immigration (March)	14,576	14,811	21,905	28,609
Finance—				
Failures, No. (May)	166	185	1,027	1,005
Failures, Liabilities (May)	$ 2,600,755	$ 2,294,769	$ 24,002,531	$ 18,069,077
Bank Debit (June)	$3,397,740,656	$3,579,847,707	$19,025,169,814	$22,835,608,215
Bond Sales (June)	$ 72,513,683	$ 115,388,617	$ 371,152,019	$ 344,154,231
Insurance Sales (June)	$ 55,355,000	$ 55,000,000	$ 300,762,000	$ 307,562,000
Wholesale Prices (1913—100)—				
General Index (June)	88.0	92.6	......	......
Iron (May)	91.6	94.4	......	......
Cottons, raw	93.9	111.6	......	......
Grains	76.0	82.5	......	......
Live stock	130.0	138.3	......	......



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IT'S wise and economical to choose a Chevrolet Six! For the new Chevrolet is a six-cylinder car—with all the advantages of greater smoothness, comfort, speed and hill-climbing power which nothing less than six cylinders can give. Yet, priced as low as $635 at the factory, Chevrolet Six is *actually one of the lowest priced cars you can buy!* And this great Six is as economical to operate as any car on the road today, regardless of the number of cylinders. *It costs no more for gas—costs no more for oil—costs no more for tires—costs no more for upkeep!*

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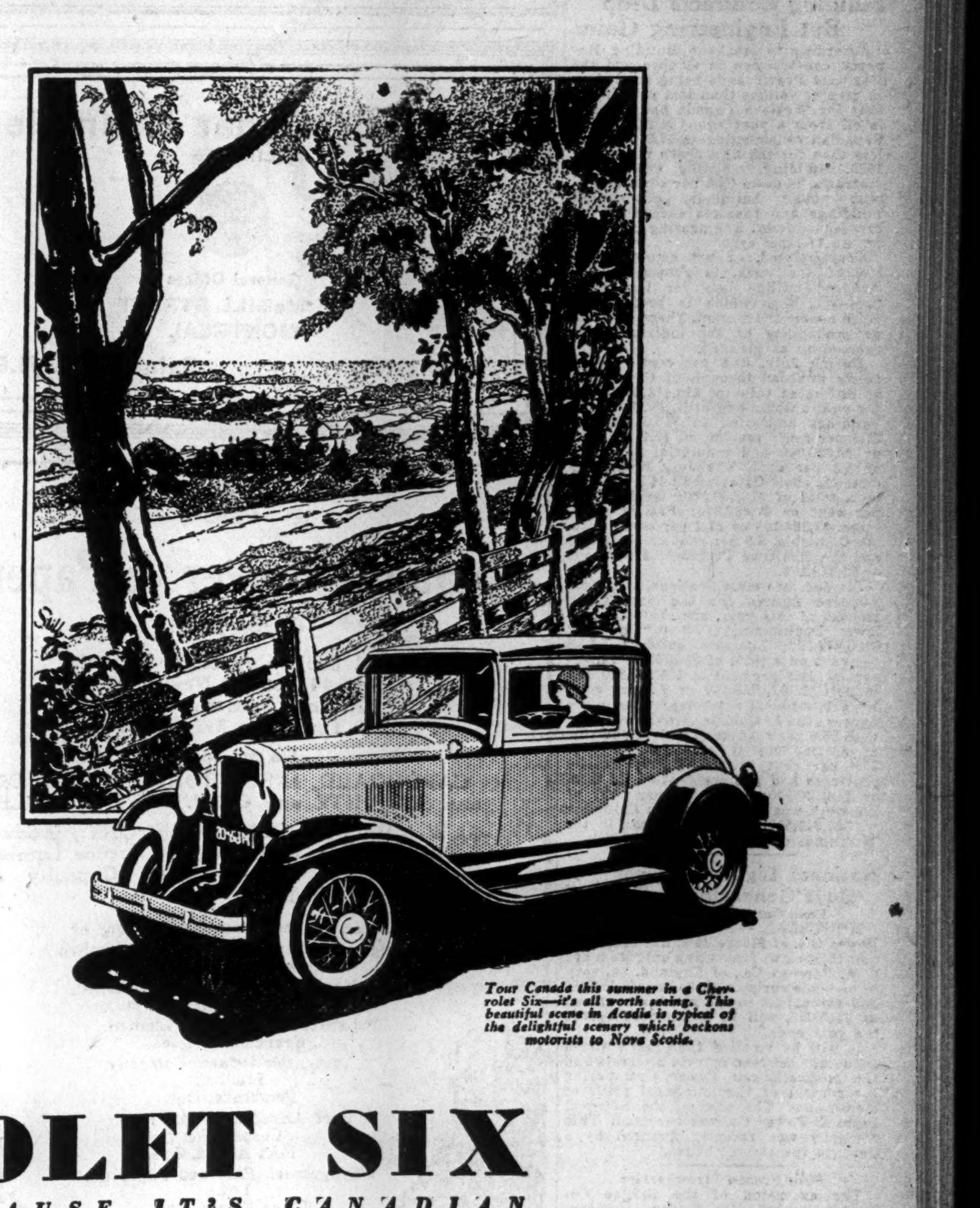

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Pulp and Paper Industry

SOVIET PULPWOOD ENTERS U. S. AFTER TEMPORARY DELAY

May Have Bearing Upon Canadian Pulpwood Exports

From Our Own Correspondent

MONTREAL.—Charges that Russian pulpwood imported into the United States had been loaded by convict labor, and thus prevented its entrance into the country under the provisions of the Tariff Act, were dismissed by the Treasury Department, which issued orders to Collectors of Customs to admit to the United States 79 shiploads of the product.

The pulpwood from Archangel was barred under a section in the Tariff Act which prohibits the importations of material produced in a foreign country in whole or part by convict labor. The embargo was laid down when the Treasury received information that convicts had been used in loading the pulpwood. Sufficient evidence was not produced at the hearing to uphold this charge.

Replace Canadian Wood

One of the most significant statements made at the hearing in regard to lifting the ban on the Russian pulpwood, was that the importation of Soviet Russian wood by United States pulp and paper companies, would replace the importation of wood and pulp from Canada. It was pointed out by the importers—International Paper Company, the West Virginia Pulp and Paper Company and the Racquet River Paper Company—that a great deal of their raw product has been imported from Canada, and that the importation of Soviet wood would not be in competition with any United States industry, but that with the lumber industry in Canada.

Just what effect the importation of Russian pulpwood will have upon the Canadian industry, is rather difficult to foretell at the moment. In an official statement, International Paper Company says that the Russian pulpwood is no cheaper than the Canadian pulpwood, but it has the advantage of adding another source of supply of raw material for the operation of the United States mills.

Overcome Quebec Opposition

This may be so, but in view of the difficulties which American organizations operating in Canada have recently run into, it is considered in some quarters that the move to import pulpwood is to make those companies less dependent upon the Canadian source of supply. Along these lines, International Paper Company has had differences of opinion with the Quebec Government, arising out of the question of an increased price for newsprint. If International Paper is able to arrange for a regular and adequate supply of pulpwood from Soviet Russia, its position, from an operating point of view, would be strengthened.

During the last two or three years, exportations of pulpwood from Canada to the United States have been steadily decreasing. This has been due in part to the larger domestic requirements, brought about by the expansion of the newsprint industry. There are many American paper producers, however, which are still dependent upon Canada for their supply of both pulpwood and pulp.

Probably a dozen or more U. S. paper manufacturers carry on cutting operations on their own timber limits in this country, or process the wood into pulp at their Canadian plants. This pulp is then shipped to the American plants for manufacture into paper.

Building Contracts Drop But Engineering Gains

According to MacLean Building Reports, construction in Quebec and the Maritime Provinces is being carried on in greater volume than last year, while that for Western Canada and Ontario is off from a year ago. On the whole, Canadian construction is 17.3 per cent less than for the first seven months of 1929. Building, omitting engineering contracts, is down 28.5 per cent. Hospitals, public buildings, educational buildings and theatres each show increased activity. Engineering contracts are up 11.7 per cent.

Contemplated, or not actually contracted for work, is shown as one hundred million less for last year. [illegible], that which is proposed is much nearer the market. There is greater probability of the individual job proceeding as planned.

During July, 38.6 per cent of contracts awarded throughout Canada, at an estimated value of $14,413,400, were for public works and utilities. Business buildings amounted to $14,030,700 or 37.5 per cent; residential 17.7 per cent or $6,623,700 and industrial $2,306,600 or 6.2 per cent. The July figures by districts show Ontario had 44.3 per cent on a total of $16,549,900; Quebec, 20.4 per cent or $7,637,800; Prairie Provinces, $7,984,100 or 21.4 per cent; British Columbia, 8.9 per cent or $3,323,400 and the Maritime Provinces 5 per cent or $1,879,200.

Divided into classifications, contracts awarded figures for the first seven months of this year, are shown as follows: Engineering, 37.9 per cent or $105,278,900; business buildings, 34.8 per cent on a total of $96,753,600; residential, 19.8 per cent or $55,209,800 and industrial, $20,758,100 or 7.5 per cent. By geographical divisions, these same figures show Quebec province ahead with 35.6 per cent on an estimated value of $98,953,200; Ontario follows with 35.3 per cent or $98,029,900; Prairie provinces had 16.6 per cent on its total of $46,236,900; while 7.4 per cent of the work was done in British Columbia or $20,642,500 and 5.1 per cent in the Maritimes on a value of $14,137,900.

National Light & Power Buys Generator in England

From Our Own Correspondent

MONTREAL.—National Light & Power Co., of Moose Jaw, has ordered a new 10,000 k.w. generating unit from the C. A. Parsons Co., of England, delivery to be made early in 1931. Improvements and extensions to the plant, amounting to $440,000, will be commenced before the year ends.

It will be recalled that there was a keen fight between private interests and the Saskatchewan Power Commission for control of the municipal plant at Moose Jaw. The offer of the National Light & Power Co. was accepted. This company was recently financed by a Toronto investment house.

Ship Frozen Strawberries

The extension of the British Columbia markets for frozen strawberries to Australia was effected the other day when 160 cases were shipped off, having a dead weight of more than two tons. This follows a small experimental order sent some months ago. Good prospects are seen for future business along this line.

COAST MILLS HOPE TO SELL IN BRITAIN

B. C. Lumbermen Will be on Job When Imperial Conference Meets

From Our Own Correspondent

VANCOUVER. — When the Empire Economic Conference is held in London this fall British Columbia will have representatives at the scene of the deliberations seeking by the most direct possible methods to develop trade within the Empire in at least one important commodity.

The representatives will be of the lumber industry and probably one member of the provincial government will go along too in order to give the delegation an official status. This delegation, while it will not be able to take part in the formal discussion at the conference, intends to make the most of this opportunity of mingling with business men and government officials from the far corners of the Empire.

"The Empire conference may be of immediate and far-reaching consequence to the dominions and the motherland. We hope that it is," said a leading lumber exporter in discussing the question with The Financial Post. "Nevertheless, there is often a tendency at meetings of this kind to talk a great deal and pass endless resolutions without actually getting very far in the direction of accomplishing the real purpose of the conference — the development of Empire trade. British Columbia intends to be right there on the firing line, seeking orders as well as information and if there are representatives on the ground from other provinces and from other dominions with the same end in view, so much the better for Empire trade."

Since the passage of the Smoot-Hawley tariff, British Columbia has been virtually shut out of the profiable United States market in several grades of lumber. The British Isles are the greatest importers of lumber in the world and yet only two per cent of their lumber purchases are made in British Columbia, the largest source of timber in the Empire. If British Columbia can increase that percentage and overcome the competition of Baltic countries there will be little cause for worry over the loss of the United States market.

British Columbia also intends to make a strong fight for revision of the Australian and New Zealand lumber tariffs which are severe on the lumber business of this section of Canada. With these two dominions and the Motherland actively in the market for British Columbia lumber, a long step will be taken toward lifting the first industry of the province out of the doldrums in which it has been wallowing for several months.

British Columbia Pulp Installing Big Machinery

From Our Own Correspondent

MONTREAL.—British Columbia Pulp & Paper Co., operating pulp plants at Woodfibre and Port Alice, are installing the largest barker and chipper plant in the world. Pacific Mills Equipment, Limited, is installing the chipper, while Canadian Allis-Chalmers is building the barker.

According to Lorne W. Killam, president, the heaviest Thorne barker so far manufactured, capable of handling logs ten feet long and with a diameter up to 22 inches, will be installed. The entire project will cost about $100,000.

Prairie Fisheries Expand

The fish catch in the Prairie Provinces has doubled in the past five years, having passed the $4,000,000 mark for the first time in 1929. The total catch was 562,000,000 pounds. These fisheries in 1929 gave employment to 7,500 men—some 800 more than the previous year—and used equipment to the value of $1,986,000.

DAVID ET FRERE BOOST JULY SALES BY 20 PER CENT

Company Obtains Benefit of New Equipment Installed

From Our Own Correspondent

MONTREAL.—Seemingly undisturbed by business conditions, sales of David et Frère, biscuit manufacturers, are reported to have shown steady monthly increases to date. July business, however, created a record and showed a gain of 20 per cent over the sales of the same month in 1929.

The company is now obtaining the full benefit of new equipment installed earlier in the year. Output has been increased by about 30 per cent and new lines of biscuits are offered from time to time. Officials of the company are gratified at the results of July operations but do not attribute the sales increase to any special development.

Indications are that the company will make a good showing at the end of its fiscal year December 31, 1930. It has completed its expansion programme for the current period which included an extension to the plant and the addition of new equipment.

While further extensions are planned next year, details have not yet been divulged. The company has made good gains since its inception in 1928. Earnings last year amounted to $120,642 or the equivalent of $2.25 a share on the B stock outstanding. There are 23,000 shares of this stock while there is a similar number of A shares issued. A dividend of $2.25 a share is paid on the senior stock.

Makes Steady Progress

David and Frère confines its output largely to low-priced biscuit and candy and has built up a strong market for these products in and around Montreal. Despite the keen competition existing in the biscuit industry the company has made steady progress and has strengthened its financial position substantially.

At the end of last year the balance sheet showed investments in Government bonds of $85,400 as compared with $34,770 in the previous year. Working capital was higher by $56,000 at $264,863 while the ratio of current assets to current liabilities was in the neighborhood of 60 to 1.

The B shares were listed on the Montreal Curb Market in February, 1930, and are traded in the region of 5 in an inactive market. The A shares have not been listed.

This latter stock is entitled to a dividend of $2.25 a share. After this, any further dividends shall be distributed equally between the A and B shares until the A has received $3 a share. Then all other dividends shall be applied and paid only to the B shares.

DOMINION BRIDGE STOCK ATTRACTS MORE ATTENTION

Odd-Lot Purchases Recently Steadily Growing in Volume

From Our Own Correspondent

MONTREAL. — Dominion Bridge is one of the few stocks on the Montreal Stock Exchange which has shown any signs of activity in the past few weeks. Prior to the June break, the stock had been selling around 72 and then declined to slightly under 50. Since then there has been accumulation of the stock in small lots, and value has advanced steadily to the present level of around 62.

There has been no intimation that the directors would make any change in the present dividend of $3.60 a share, and, in some quarters, it is considered that the stock has been over-sold. The floating supply has been materially reduced by odd lot purchases, and the stock is regarded as being in a strong technical position.

Has Done Well

While it is generally recognized that the volume of business being handled by Dominion Bridge Company at the moment is substantially less than a year ago, the decline in orders has not been more than expected in view of the general recession in the business activities throughout the country. Last year was a notable one for the company, in that it had under way exceptionally large contracts, including that for International Nickel, Montreal Harbor Commission, T. Eaton Building, and other large jobs. That the current year has not been devoid of big operations, is evidenced by the jobs for Sun Life, Aldred Building, various bridges, etc.

Of late the company has received several orders, which, in the aggregate, amount to a substantial sum. There is the steel work on the new Architect's Building, addition to Simpson's Montreal store, cranes, grain elevator equipment, and other smaller jobs.

Work in prospect include the $2,000,000 Caughnawaga Bridge, three bridges at Quebec City, a similar number at Winnipeg, and the Montreal Terminal of the Canadian National Railways. The latter is one of the biggest construction enterprises ever undertaken in the Dominion, and should be the means of providing Dominion Bridge with a very large tonnage of structural steel.

Included in the accounts for the current year will be the completion of the Harbor Commission Bridge, a job costing some $18,500,000; International Nickel's refinery; Sun Life Building; Aldred Building; and other jobs. Consequently it is expected that the share earnings of Dominion Bridge will compare favorably with those of last year, despite the increased number of shares outstanding. All in all, the outlook for Dominion Bridge is not unsatisfactory. If the new Government takes steps to relieve unemployment, it is more than likely that much new work will find its way to Dominion Bridge, whose plants are now located in the principal areas of the Dominion.

Metal Prices

New York, August 5—

Copper—Electrolytic spot, 11c. lb.

London, August 5—
(Long tons)—

Copper—Electrolytic spot, £51; future, £52.
Standard spot, £48, 15s.; future, £48, 12s. 6d.

Tin—Spot, £136, 7s, 2d.; future, £138, 2s. 6d.

Lead—Spot, £18, 5s.; future, £18, 5s.

Zinc—Spot, £16; future, £16, 2s, 6d.

Silver—15-15/16d. per ounce.

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Pulp and Paper Mills — Power Developments

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Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
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Sturgeon Falls, Ont. — Smooth Rock Falls, Ont.
Espanola, Ont. — Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

MAPLE LEAF
INDUSTRIAL
ALCOHOL
HIGHEST QUALITY—BEST SERVICE
Ethyl Alcohol—Cologne Spirits, Denatured Alcohol
(ALL-FORMULAE)
We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the Trade.
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TRADE MARK
MONTREAL — CORBYVILLE
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BATHURST
Newsprint Paper
Kraft Pulp
Unbleached Sulphite Pulp
BATHURST POWER & PAPER COMPANY LIMITED

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LAMBERT & GERMAN
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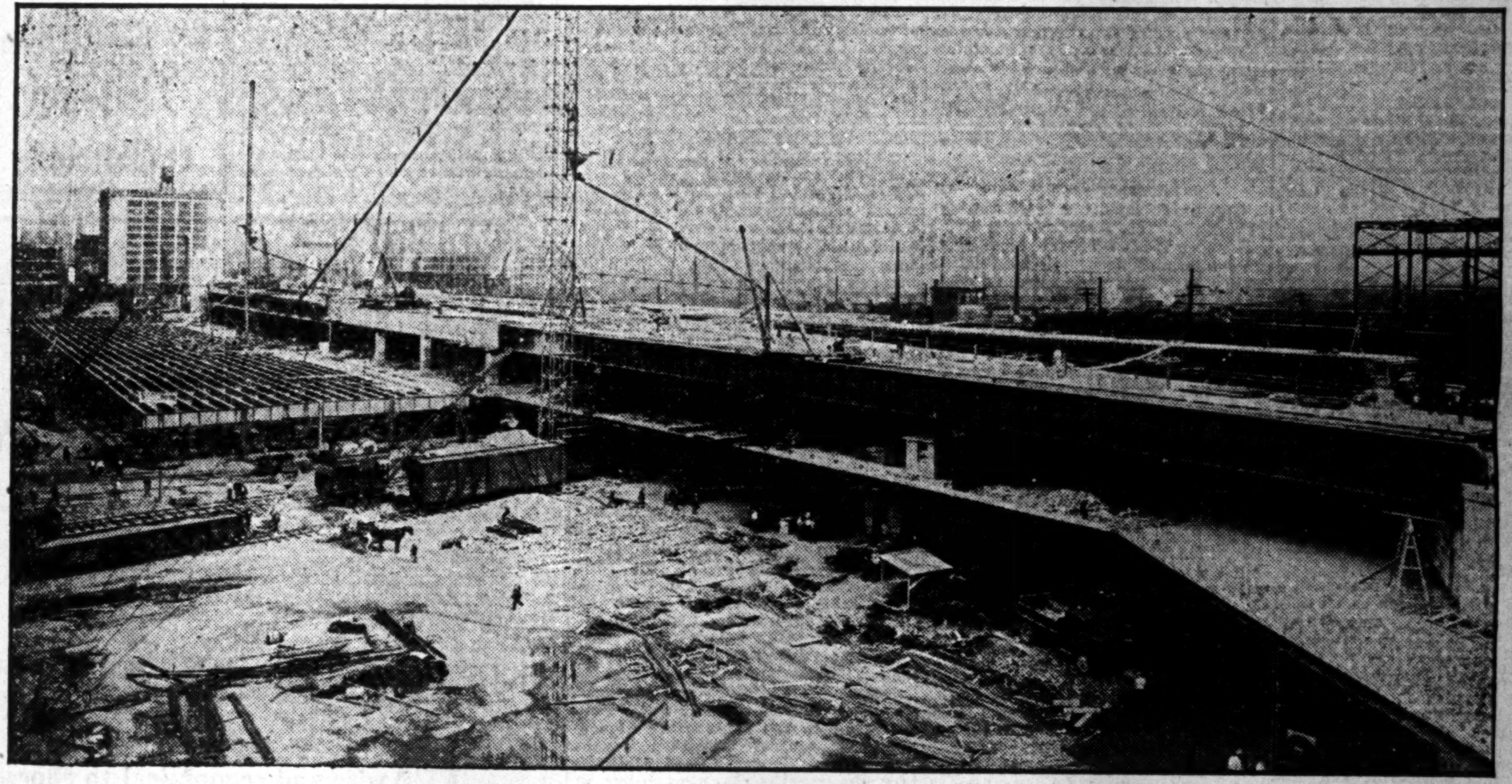
Walter Lambert, M.E.I.C., M.I.N.A. — Horace H. German, M.I.N.A.

Atlantic Sugar Refineries
LIMITED
Lantic Sugar
General Offices
485 McGILL STREET
MONTREAL
Refineries - Saint John, N.B.

The
Canada Power & Paper
Corporation
Total Daily Capacity of Plants:
1,944 Tons of Newsprint
125 Tons Pure Kraft Paper
240 Tons Pure Sulphate Pulp
also producing
CARDBOARD, INSUL BOARD, WRAPPER and SULPHITE and GROUNDWOOD PULPS
SAW MILLS AT PEMBROKE, ONT., producing White Pine, Red Pine and Spruce Lumber Pickets, Laths, etc. — Annual Capacity of 25,000,000 F. B. M.
Successor and Operating Company of
Belgo-Canadian Paper Company Limited, Shawinigan Falls, Que.
St. Maurice Paper Company Limited, Cap de la Madeleine, Que.
Laurentide Company Limited, Grand'Mere, Que.
Laurentide-Ottawa Company Limited, Pembroke, Ont.
Port Alfred Pulp and Paper Corporation, Port Alfred, Que.
Wayagamack Pulp and Paper Co. Ltd., Three Rivers, Que.
Head Office:
MONTREAL-QUEBEC



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Manufacturers take advantage of favourable conditions to build replacements, additions, new plants.
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INDUSTRIAL PLANTS
STEEL MILLS
POWER DEVELOPMENTS
RAILROAD WORK
GAS PLANTS
Construction of
APARTMENTS
HOTELS
OFFICE BUILDINGS
MANY industrial companies are taking advantage of lower construction costs to replace old facilities or to build extensions and new plants.
We, as a world-wide organization, are now building for our clients a large volume of industrial work—62% more than a year ago. This includes chemical plants, a zinc smelter, steel mills, power plants and numerous manufacturing plants. Some of this work we are designing as well as building; some we are building from plans of the client or of other engineers.
To Canadian industries planning construction work at this time we offer a flexible service extending from preliminary study and report through design and construction of the complete plant. Or we will build from the plans of engineers and architects.
UNITED ENGINEERS & CONSTRUCTORS
(CANADA) LIMITED
DOMINION SQUARE BUILDING
MONTREAL
MAXIMUM RETURN TO CLIENTS PER DOLLAR INVESTED

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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BRUCK SILK MILLS PASSES DIVIDEND AS SALES DECLINE

Interim Payment Omitted in Order to Conserve Liquid Position

From Our Own Correspondent

MONTREAL. — Developments in the silk industry during the past few months have taken an unfavorable turn and in order to maintain its position, Bruck Silk Mills Limited has passed the interim dividend of 25 cents on the common stock, which would have been payable on the 15th next.

Dividends have been paid quarterly for the past eighteen months to May 15, 1930, but the stock was never placed upon a regular dividend basis and payments were merely made as directors felt justified in declaring them.

Sets Forth Position

Following declaration by I. I. Bruck, president of the company, gives the attitude of the directors toward passing of the dividend:

"We have not declared the interim dividend for the third quarter of the current fiscal year because of prevailing conditions in business and trade generally in this country. In the past two months both sales and profits of the company have fallen below the same months of last year. In view of this and in order to fully conserve the company's cash resources and maintain working capital, the directors considered it prudent to omit dividend payments for the time being.

"We feel that in doing this we are acting in the best interests of the company and its shareholders.

"We also feel that a definite turn in business conditions is imminent and dividends will, we hope, be resumed in the not-far-distant future.

"At the present time our working capital position is satisfactory, inventories are of nominal volume and plants are in perfect physical condition and are being thoroughly maintained.

"We view the future with fullest confidence and feel sure the shareholders will approve of our conservative attitude respecting disbursements at this juncture."

Develop "Loaded" Silk

Bruck Silk Mills came into being nine years ago, when a plant was established at Cowansville, P.Q., to manufacture and weave pure and artificial silk. Some four years ago, the company extended its plant to manufacture "loaded" silk. By the loading process, lower grade silks are treated with a solution of tin and chemicals, and built up to resemble the finest silks. The company does its own dyeing and carries on, in addition to its own operations, custom work in loading and dyeing.

Sales in Canada have been extensively developed, while an export trade has been built up with the West Indies, New Zealand, South Africa, and Australia.

Split Common Stock

The original authorized capital of Bruck Silk Mills was $250,000 of 8 per cent cumulative preferred shares, and 2,500 shares of no par value common stock. In October, 1925, the preferred stock was cancelled and redeemed and the number of no par value shares was increased to 25,000, of which 23,000 were offered in exchange for the preferred shares formerly outstanding. In November, 1928, the common stock was split four for one.

According to the last income and surplus account, for the twelve months ended October 31, 1929, earnings on the common stock were equal to $2.80, or $9.60 on the old stock.

BROOKMIRE EXPECTS EARLY TURN IN TIDE

American Service Reports on U. S. and Canadian Business Outlook

The worst phase of the American business depression will soon be over, in the opinion of the Brookmire Economic Service, whose latest report on business and investment conditions continues:

"The precipitous decline in business operations which appeared in the last half of June has again been resumed and the extreme bottom of the current depression is believed to be near at hand. This is not an absolute certainty nor is it certain that the low prices which stocks reached in June will be the final bottom in the market.

"A business depression such as the present, affecting practically all industries and worldwide in scope, cannot be corrected over night. From the investment standpoint the important thing to remember is that we are now very near the bottom and that the worst phase will soon be over.

"Our advice, therefore, is (1) continue to hold your good common stocks; (2) maintain your cash reserve of approximately 35 per cent; (3) do no buying now."

Although the brightest spot in Canadian industry and trade is to be found in the mineral industry and in tourist trade, there are as yet no signs suggesting any material pickup in general business in the near future, according to Brookmire. The report continues:

Employment in the metallic mineral industry showed an increase of 7.5 per cent in June as compared with the same month in 1929. Furthermore, exports of metallic minerals, with the exception of gold, were running well ahead of last year.

"So far as reports available tourist trade in Canada is running substantially in excess of that reported last year This industry is said to have brought Canada more than $300,000,000 in 1929 and to have more than doubled in five years. Visitors from the United States account for 40 per cent of the total expenditures.

"As the situation now stands Canadian business in general must await the fate of the new wheat crop and the prices to be received for it. Prices have shown no tendency to strengthen in recent weeks.

"There is some evidence, however, that wheat prices may show improvement before the 1931 crop is harvested and possibly before the 1930 Canadian crop goes to market. The world carry-over of wheat on July 1 was about 100,000,000 bushels short of the carry-over on July 1, 1929. In North America the carry-over increased but with the exportable surplus reduced in Argentina and Australia a better demand for the North American wheat should develop."

Record Salt Output

Salt production in Canada established a new record in 1929, according to the finally revised figures of the Bureau of Statistics, at 330,264 tons, valued at $1,578,086, an increase of 10.3 per cent in quantity and of 5.5 per cent in value over the 1928 total.

Speculation Grows Here In U. S. Oil Royalties

Canadians Buying Land Ownership Interests in Petroleum Production from Various Properties With Too Little Investigation

Active selling for years in Canada of securities of companies, which make a business of buying, selling and holding royalty interests under producing and non-producing oil territory in the United States, is now being followed on a considerable scale by traffic in the royalty interests themselves. Many letters received by The Financial Post indicate that in Toronto especially, there are both companies and individuals who make it a business to buy and offer royalty interests for sale. It is a legitimate business to buy and sell oil royalties, but some of the letters received indicate that some Canadians approached believe they are making an investment instead of a speculation. Some of these royalty interests offer great inducements in current income but purchasers in some cases do not seem to be aware that permanence of such income for more than one, two or three years is a matter of extreme doubt.

Want Large Returns

Canadians had in pre-war years a saddening experience of the folly of buying, without seeing, lots in subdivisions in or near cities, towns, villages or prospective towns and cities in western Canada, but advancing paper values and stories of easy fortunes made by others kept them going on hope and paying taxes for some years. Royalty interests, however, are a form of real estate which is revenue-producing in many cases from the beginning. The owner of the land on which production comes is entitled to one-eighth of the oil produced whether it be eight barrels daily or 80,000 barrels daily. Immense fortunes have come to the Osage Indians and to poor farmers who granted the right to drill to various companies. But a farmer or other owner has found that he can sell part of his royalty rights and so get immediate money instead of waiting a long time for a well to be drilled with a very good chance at the end that this and other wells drilled on his property may be dry wells. For example, one Toronto company is now offering deeded royalty interests which represent 1-1600 part of the royalty interest under 160 acres on which Sinclair Oil & Gas Co. is now drilling 16 wells, 9 of which have come in. Early in June there were only four wells producing. Now there are 9 wells producing and potential production has been increased five times, though under curtailment agreements only one-sixth of the production can be allowed to be used or marketed.

Farm Worth $1,920,000

On this particular royalty, according to the information given by the sellers, there was payable royalties of about 1 per cent early in June and now about 7 per cent monthly on the basis of initial production. The company in Toronto offers one of the 1,600 parts into which this royalty is divided for $1,200, at which rate the whole royalty interest under the 160 acres would be worth $1,920,000, whereas the Sinclair Oil & Gas Co. will pay $2,400,000 to drill the sixteen wells and will get seven-eighths of the crude oil produced. The Sinclair Oil & Gas Co. naturally gets its capital returned long before the royalty owner who purchases at present prices. The farmer who sold his royalty interests or part of them will not get $1,920,000 for the whole. He probably sold for much less and the new purchasers, getting the benefit of the interest created by the successful drilling, have been able to raise the price very high.

One who buys a royalty interest in Canada does so on the basis of information given by the vendor as he cannot investigate on the spot. The people on the spot have sold the royalty interest some time before. If a man sees a stock giving a large yield, he feels that the dividend is in great danger even before he begins to investigate. In the same way he should investigate royalty interests giving a large yield because either the return is likely to be much lower soon or may soon disappear altogether.

Some Things to Remember

There are several things for the Canadian to remember in connection with royalties offered him:

First, that initial production of a well is generally very much larger than it is at the end of the first year so that return would be on a descending scale;

2nd, that owners of royalties on the spot generally try to sell their royalties when production is flush, knowing that it will have declining value later, and they try to sell them outside of the oil fields where this fact is well understood;

3rd, that people familiar with this type of trading claim that wells should have from 33 to 50 per cent a year charged off against them as this is the average experience in many fields;

4th, that companies who sell their securities in order to buy royalties claim that they avoid these hazards partly by diversifying, partly by selling royalties before wells go dry and partly by charging off sufficient depreciation to make allowance for wells going dry or showing greatly diminishing production;

5th, that even with these precautions criticisms are often launched against some of these companies that they do not make nearly enough allowance for depreciation, that their costs of selling securities are too high and that their depreciation in selecting royalties often proves wrong.

Bankers in districts from which these oil royalties are offered will sign statements to the effect that oil royalties make the safest form of investment and that they will lend money on them if the history of the field and the sand from which the production comes is good. Like a purchase of real estate, however, it is the best speculation for a man on the spot who knows the game.

The Financial Post has been informed of cases where Canadians have paid twice the sum for a royalty interest that the same interest could have been obtained for in Tulsa, Oklahoma. The royalty interest was regarded in Tulsa as good but the price as excessive.

Canadian Salt Output at High Point in 1929

Salt production in Canada established a new high mark in 1929, according to finally revised statistics just issued by the Dominion Bureau of Statistics at Ottawa. The 1929 production was 330,264 tons valued at $1,578,086, an increase of 10.3 per cent in quantity and 5.5 per cent in value of the 1928 total of 299,445 tons at $1,495,971. Shipments in 1929, exclusive of the salt contents of brine used in the manufacture of chemicals, averaged $8.70 per ton as compared with $8.28 per ton in the previous year.

An increase of 8 per cent was recorded in Ontario's production; the total for 1929 was 302,445 tons or 91.6 per cent of the Canadian production. Output from the Malagash mine in Nova Scotia continues to advance and the 1929 production was 42 per cent higher than the total in the previous year.

Canadian imports of salt decreased 6.6 per cent to 176,566 tons with a value of $936,820. Salt exported from Canada amounted to 9,359 tons evaluated at $70,762 as compared with 2,930 tons worth $36,399 exported last year.

Capital employed in the salt industry by the 8 firms operating in 1929 totalled $4,576,543. Employment was furnished 53 salaried employees and 371 wage-earners; their combined earnings were $516,453. The cost of fuel and electricity used during the year was $249,664; this total included $226,552 paid for 51,808 tons of bituminous coal.

LACK OF PROXIES ASBESTOS BONDS DELAYS MEETING

General Mortgage Bondholders Will Meet Again on Aug. 28

From Our Own Correspondent

MONTREAL. — Lack of proxies again forced the postponement of the special meeting of the general mortgage bondholders of Asbestos Corp. until August 28 next. At the meeting held last Monday $2,330,400 of bonds were represented either in person or by proxy. This is equivalent to better than 55 per cent of the total amount of second mortgage bonds. It is necessary that 65 per cent of the bonds be represented before any action can be taken.

At the meeting Colonel F. M. Gaudet, as chairman of the Bondholders' Committee, made the following report:

"The committee, appointed by a group of the holders of bonds of the above issue, desires to report that at the adjourned meeting of bondholders which was held on the 4th day of August, 1930, the necessary representation of 65 per cent of the bonds required to carry the extraordinary resolution to be submitted to the meeting was still not present, and according the meeting was adjourned again until the 28th day of August, 1930.

"The committee has continued to keep in close touch with the affairs of the Asbestos Corporation, Limited, since the last meeting of the bondholders held on June 30th, and in this connection a large amount of work has been done without any remuneration of any kind.

Will Employ Engineers

"The committee has been steadily securing all desirable information, and at the present time is seeking the services of two well-known engineers to report on the property. It is confidently felt that these engineers will commence work this month. You will be advised on their work.

"Considerable amount of time and effort has been given over to the securing of proxies and while proxies representing $2,330,400 principal amount of bonds have been obtained apparently there are still a large number of holders of the general mortgage bonds who do not fully realize the present position as proxies representing an additional amount of $397,455 are still required.

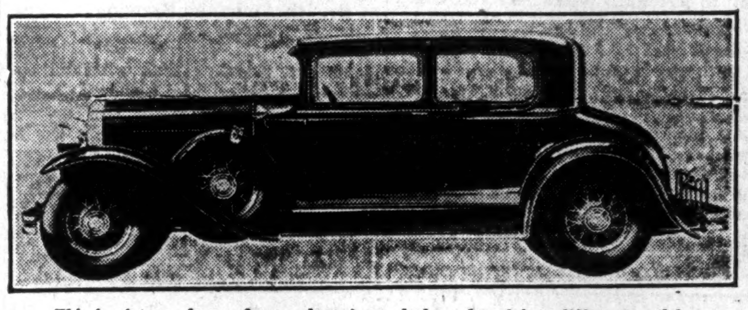
May Forfeit Rights

"Failure to obtain the required representation at the adjourned meeting on August 28, 1930, may give rise, as mentioned in our circular letter of June 30, to rights in favor of the holders of first and refunding bonds to enforce their security to the prejudice of the general mortgage bonds.

"Any bondholders who have not yet sent in their proxies are accordingly most urgently requested in their own interests to forward their proxies either to the company or to the committee, as they may see fit, in order that a resolution in the form and terms of the draft resolution enclosed herewith may be duly adopted.

"The president of Asbestos Corp. has signed this letter as concurring in the request which is now being addressed to you."

Buick Produces Eight-in-Line Models



This is picture of one of a number of new body styles of four different models.

NEW 1931 BUICKS ARE STRAIGHT 8's

Four Models of Different Prices and Wheelbases Shown

McLaughlin-Buick announces four new "eights," all of them straight eights.

The eights are even more powerful than the sixes they replace, with road speeds up to eighty miles an hour.

"One of the new series of eights will sell for approximately $300 less than the cheapest of last year's sixes. This is the new 8-50 series, with 76½ h.p. motor.

A feature of all four series is a device which warms the engine oil in winter to the most efficient temperature, and in summer keeps it from getting too hot.

The bodies are insulated, with felt and fibre padding, that keeps engine noise and engine heat from the driver's compartment.

The engines, though longer, remain valve-in-head, the lines of bodies and radiators are the same, the brakes are basically unchanged.

There are twenty models, on four different wheelbases in the 1931 McLaughlin-Buick line, all powered by eight-in-line valve-in-head motors. The 8-50 series, on 114-inch wheelbase, develops 76½ horsepower, the 8-60 series (118-in. wheelbase) has 90 horsepower; the 8-80 series (124-inch wheelbase) and the 8-90 series (132 inch wheelbase) boast a 104 horsepower motor.

J. S. Mitchell Sales Well Maintained

From Our Own Correspondent

MONTREAL.—Sales of J. S. Mitchell Co. for the first seven months of the current year are reported to be on or about the same level as for the corresponding period of the preceding fiscal year. The policy of the management in retiring the preferred stock, as occasion permits, is being continued and it is not likely that the common stock will be placed on a dividend basis until more of the senior security is retired.

Industrial conditions in the territory covered by the company, namely, Eastern Townships of Quebec, have been well maintained. Demand for the company's products, which include mill, railway, corporation, mining and contractors' supplies, has kept up well considering the easier trend of trade in other parts of the country.

Survey Sheep Situation

An economic survey of sheep ranchin in Saskatchewan, Alberta and British Columbia is being undertaken by the Dominion Department of Agriculture under the direction of the agricultural economics branch in co-operation with the Dominion experimental farms. This is the beginning of a programme of research work in agricultural economics on behalf of the livestock industry.

400,000,000 BUS. IS HIGH ESTIMATE FOR COMING CROP

Wheat Prices at Level Inducing Use for Feed

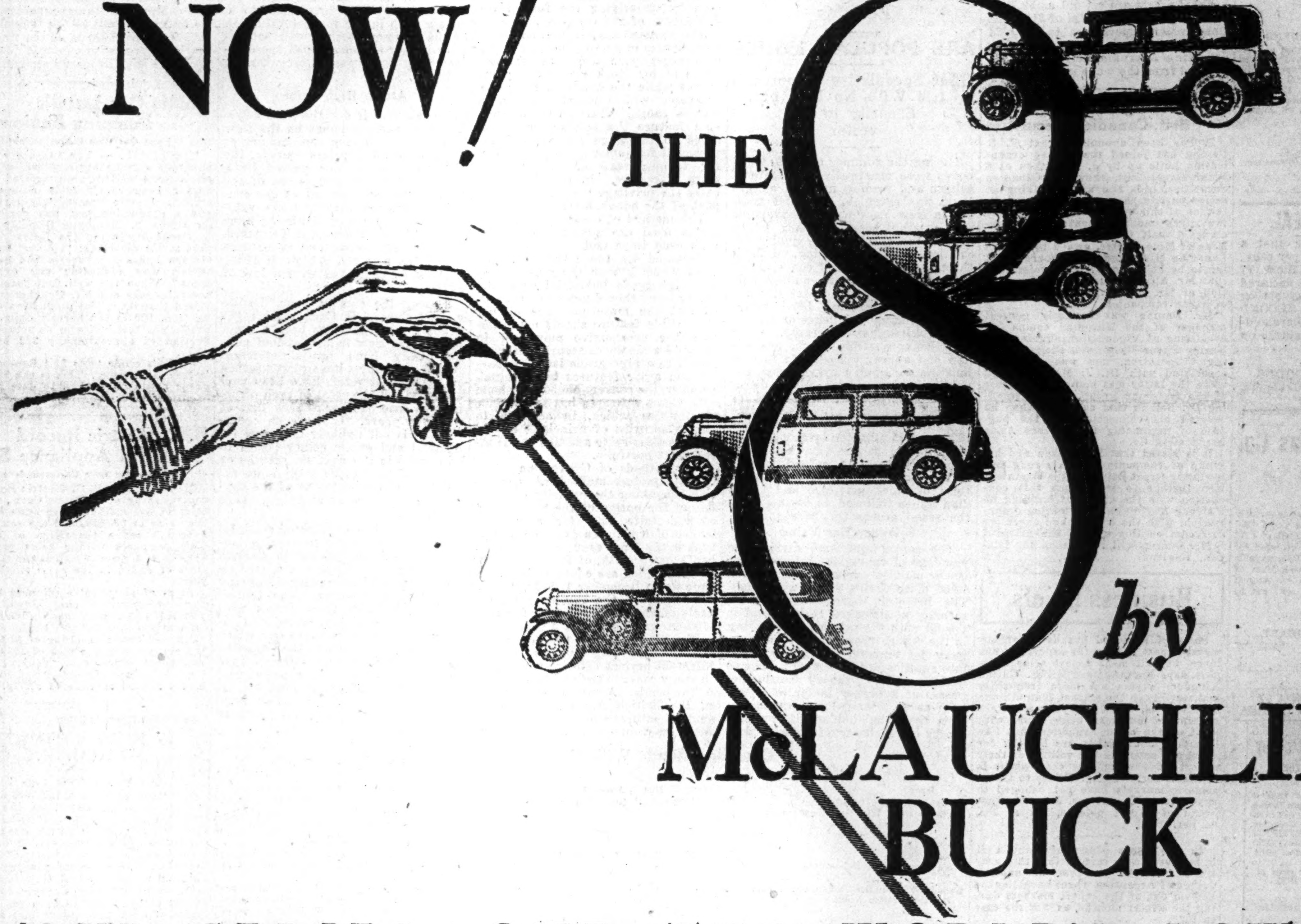
From Our Own Correspondent

WINNIPEG. — As The Financial Post has pointed out on numerous occasions during the long decline, wheat prices are seeking a level which will increase consumption, and not until that level is definitely established will the weakness in the situation be corrected. The piled-up wheat surpluses, accumulated during several years of increasing carry-overs are at present a greater burden on the market than they have ever been, and the market will hardly support them through another year without substantial reduction.

Feed to Livestock

Not yet can it be said that any increased human consumption of wheat is in sight, but prices have fallen to a level where one correcting influence begins to work, and that is the feeding of wheat to livestock. It is only in the United States that this influence is yet at work, and there only to a limited extent, but this may soon be a matter of great importance. Many farmers in the United States, where wheat is low in grade or where their shipping costs are high, can get more value out of wheat by feeding it to hogs than by sending it to market for human consumption. In some places other grains available may be fed still more cheaply, but prices are at a point where a farmer who has wheat and hogs but no corn can not afford to ship out his wheat and bring in corn. The fate of the corn crop now in the making may accelerate that tendency to a great extent The United States corn crop is

(Continued on page 10)



FOUR SERIES...ONE, THE WORLD'S LOWEST PRICED VALVE-IN-HEAD STRAIGHT EIGHT*

$1290 at factory Oshawa, Ont.

NOW, twice as many Canadians can enjoy the greater value, finer performance and enduring worth that have always been characteristic of McLaughlin-Buick motor cars.

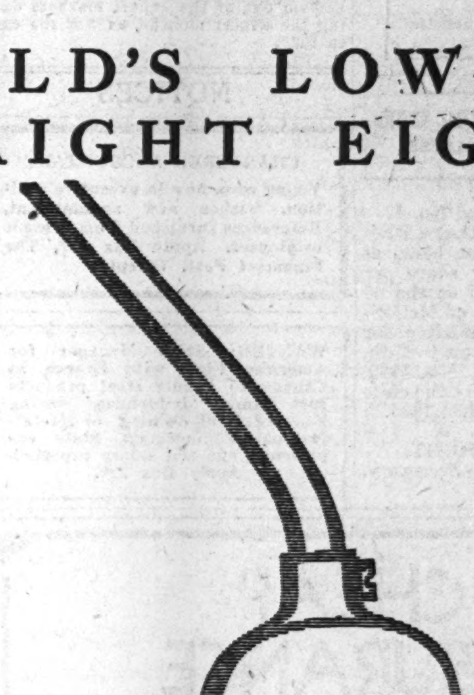
For now, McLaughlin-Buick, building on the famous, time-tried valve-in-head principle, and holding fast to proved fundamentals, has evolved the Straight Eight.

You may expect a definite new quality and measure of performance—flexibility, higher speed, greater power—all delivered as smoothly, surely and as quietly as the tread of a panther.

Most remarkable, is the fact that McLaughlin-Buick resources and ingenuity now make it possible for new thousands of Canadians to own a McLaughlin-Buick Straight Eight, for one of the models is priced as low as $1290, at factory, Oshawa, Ont. Already many more people buy McLaughlin-Buicks than any other car in its price class. Now the great worth, that this unusual preference clearly demonstrates, is available to almost *every* motorist.

The Oil Temperature Regulator, by heating the oil in cold weather assures prompt efficiency when starting; it also cools the oil when high speeds are maintained and prevents loss of lubricating value. The Intake Silencer effectively blankets acceleration noises. The Ring-type Torsional Balancer smooths out engine vibration. And Insulated Bodies by Fisher, effect a new lasting quietness, comfort and safety because of a chassis construction strengthened doubly without any increase in weight.

Purchase is convenient, due to G.M.A.C., General Motors' own deferred payment plan and General Motors Owner Service Policy assures your complete and continued satisfaction.



*NEW SYNCRO - MESH SILENT TRANSMISSION on three longer wheelbase series only

McLaughlin-Buick's fine standard transmission is used on the series of lowest price.

M-231AC

THERE IS A McLAUGHLIN-BUICK DEALER NEAR YOU TO SERVE YOU

PENINSULAR PETE CAN EFFECT MERGER

Plans Completed For Exchange of Shares With Wainwell

Internal arrangements have now been completed by officials of Peninsular Petroleums, Ltd. to permit the exchange of shares of the company for shares of Wainwell Oils, Ltd. The merger of the two companies was passed by the respective shareholders in March, 1930, and Wainwell shareholders were to receive one share of Penninsular Petroleum stock for each 10 shares of Wainwell stock held. Complete exchange however has been delayed until the recent changes were put into operation.

Upon completion of exchange of shares the outstanding capital stock of Peninsular Petroleums will be 650,000 shares of no par value against an authorization of 1,000,000 shares. Information recently received by The Financial Post would indicate that exchange of shares would be to some benefit to shareholders of Wainwell who would not stand to lose much. Wainwell shares are no longer listed.

It is understood that the company has arranged sufficient financing to carry on some development of the properties and that the wells formerly owned by Wainwell in the Wainright field can be brought into a small daily production.

Dividend Notices

THE CANADIAN BANK OF COMMERCE

Dividend No. 174

Notice is hereby given that a dividend of Three per cent upon the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st August, 1930, and that the same will be payable at the Bank and its Branches on and after 2nd September next to shareholders of record at the close of business on the 31st July, 1930. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 18th July, 1930.

Howard Smith Paper Mills Limited

Incorporated 1928

PREFERRED STOCK DIVIDEND

NOTICE IS HEREBY GIVEN that a Dividend of 1½ per cent on the 6% Preferred Stock of the Howard Smith Paper Mills Limited, incorporated 1928, has been declared for the period ending August 31st, 1930, payable on September 2nd, 1930, to shareholders of record at the close of business on August 21st, 1930.

By Order of the Board,

K. G. PENDOCK,
Secretary-Treasurer.

Montreal, July 23rd, 1930.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after TUESDAY, the SECOND day of September next, to Shareholders of record at close of business on 31st July, 1930.

By order of the Board.

W. A. BOG—JACKSON DODDS,
General Managers.

Montreal, 15th July, 1930.

Loblaw Groceterias Co. Limited

NOTICE is hereby given that quarterly dividends of 20c per share on the Class "A" shares and 20c per share on the Class "B" shares of the company have been declared for the quarter ending August 31st, 1930, payable on September 2nd, 1930, to shareholders of record at the close of business on August 12th, 1930. The transfer books will not be closed.

By order of the Board.

D. URQUHART,
Secretary.

Toronto, August 1, 1930.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Common Dividend No. 5

NOTICE is hereby given that a Dividend of 15c. per share (being at the rate of 60c. per annum) has been declared on the no par value Common Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending September 30th, 1930, payable October 25th, 1930, to shareholders of record at the close of business on September 30th, 1930.

By order of the Board,

L. C. HASKELL, Secretary.

Montreal, July 22nd, 1930.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Common Stock Dividend No. 4

Notice is hereby given that a Dividend of 15 Cents per share, being at the rate of 60 Cents per share per annum, has been declared on the no par value Common Stock of McColl-Frontenac Oil Company, Limited, for the quarter ending August 15th, 1930, payable September 15th, 1930, to Shareholders of record at the close of business on August 15th, 1930.

By order of the Board.

FRED HUNT,
Secretary.

July 31st, 1930.

CALMONT OILS ANNUAL MEETING APPROVES SPLIT

Dallas Promises Holders Three Producers Within Month

Shareholders of Calmont Oils ratified the four-for-one split in the stock at the annual general meeting held last week, the split to be effected September 30.

As at May 31, 1930, the number of shares outstanding in the company was 2,056,547, with an additional 55,429 shares subscribed but not issued. Added to this will be 35,000 shares voted to directors at the annual meeting, making a total of 2,146,976 shares, which, after the split will aggregate 8,587,904 shares out of a total capitalization of 10,000,000 shares.

As has been intimated in The Financial Post, the production from No. 2 well is not nearly as great as was at first hoped by the company. The greatest production obtainable from the well is stated to be at present around 150 to 200 barrels, and deliveries to the refinery indicate a considerably smaller production than even this. Freezing conditions are given as the reason that production is not as great as was hoped.

Directorate Enlarged

At the meeting, the entire directorate was re-elected, and to the board was added Sir William Cope, of London, Eng., and W. Motherwell, of Calgary. The directorate now stands as follows:

The Rt. Hon. Lord Askwith, K.C.B., K.C., D.C.L., pres.; J. C. Dallas, vice-pres., and managing director; Sir Francis Price, Bart.; Col. A. W. Pryce-Jones, O.B.E., of London, Eng.; A. G. Clarke, L. A. Maxwell, F. C. Birks, J. Coxon, sec.-treas.

J. C. Dallas, vice-president and managing director, stated at the meeting that three more producers would be added to the company's one producing well within the next thirty days. These wells are: No. 1, No. 4 and No. 7.

Total assets are set out as $9,530,132, with working capital of $131,938. Development operations to May 31 cost the company $1,182,918, after deducting approximately $4,850 recovered from the wells in production.

R. S. Dening to Manage Brit.-Canadian Securities

It has been announced that R. S. Dening has joined the mining organization built up by J. M. Aitken at 8 Bloor Street East, known as Canadian Securities, Ltd., and will be taking an active part in the management and direction of this mining organization and the mines under its control which includes Cobalt Contact, and the Foley Mine at Mine Centre, owned by British Canadian Mines Ltd. At a board meeting to be held shortly it is understood that Mr. Aitken will propose the addition of Mr. Dening to the directorate of these companies.

Mr. Dening was formerly general manager of the Huronian companies, consisting of Vipond Consolidated, the Keeley Silver Mines, and Pioneer Mining Corporation, and was originally associated with Dr. J. McIntosh-Bell, when the latter was managing director of the Huronian group, later succeeding Dr. Bell in that capacity, when he severed his connection for the purpose of organizing the present Atlas Exploration Co.

It is stated that Mr. Aitken and his group of companies has a strong following in Great Britain. It is the intention further to strengthen this connection with the object of building up a strong Anglo-Canadian mining organization, with the control and executive direction on this side of the Atlantic.

Mr. Dening will leave soon for London, England.

Business Briefs

Sales of standard brands of spring wheat export patents for export are not large, but all mills report some business, says Northwestern Miller. United Kingdom buyers are more frequently and steadily in the market than others; nevertheless, there is always a certain amount of business being done with most of the other countries that like Canadian flour. Mills are looking for an improvement in the volume of their export sales when new crop wheat is available for grinding. Prices to transatlantic markets have not changed to any extent. Quotations, July 26: best brand of export patents, 28s at 28s. 6d. per.

In the grain trade of Canada it is believed to be certain that this year there need be no fear of another deluge of Argentine wheat knocking the bottom out of the export markets during the winter months, as was the case in 1929.

NOTICES

CHARTERED ACCOUNTANT

Young man, now in executive position, wishes new appointment. References furnished from present employers. Apply Box 228, The Financial Post, Toronto.

WANTED: Sales Manager for American Firm with Branch in Canada to handle steel products for Mining Industries, having knowledge of Mining or Metallurgical Engineering. State experience, age and salary expected. Apply Box 229.

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Exchange Offer is Made For B. A. Brewing Stock

Brewing Corp. of Ontario is offering to purchase Class "A" and Class "B" shares held by minority shareholders of its subsidiary, British American Brewing Co., of Windsor. For each share of Class "A" stock of British American Brewing Co., Brewing Corp. offers one quarter of one share of its preferred stock and one quarter of one share of its no par value common stock. For each share of Class "B" stock of British American Brewing Co. of Windsor, Brewing Corp. offers one quarter of one share of its own common stock. The offer is accompanied by a letter from C. S. King, president of British American Brewing, recommending acceptance by minority shareholders. Control of British American Brewing was obtained by Brewing Corp. last March.

It is reported officially that Brewing Corp. of Ontario is doing a "very satisfactory" business. This information comes from all the subsidiaries including Brading Breweries, Ottawa; Taylor-Bates Brewing Co. of St. Catharines; the Kuntz Brewery of Waterloo and the British American Brewing Co. of Windsor.

Turner Valley Drilling Report

PROGRESS REPORT—Week Ending Aug. 2

Name of Well	No.	Type	Depth last report	Present depth	Feet drilled	Remarks
Royalite	9	..	....	3593	...	Pulling on liner.
Royalite	20	R.	....	3212	...	Rigging up rotary.
Royalite	24	S.	4260	4363	103	10 inch casing lowered to 4,300 ft. underreaming.
Royalite	25	R.	266	395	129	Drilling in shale.
Dalhousie	7	DD.	5206	5255	49	Drilling in lime. (Top lime at 4,999 ft.; 256 ft. in lime).
Home	5	DD.	4784	4813	29	Drilling in lime. (Top lime at 4,480 ft.; 333 ft. in lime).
Home	6	S.	3617	3640	23	Drilling in shale.
Home	7	S.	1734	2071	337	Drilling in shale.
N.W. Assoc.	2	R.	5016	5050	34	Drilling in lime. (Top lime at 4,952 ft.; 98 ft. in lime).
Mayalnd	2	R.	4790	4817	27	Drilling in lime. (Top lime at 4,710 ft.; 107 ft. in lime).
Mayland	3	R.	4735	4824	39	Drilling in sand.
Lowery Pet.	2	R.	31	246	215	Drilling in shale.
C. D. & P.	1	S.	3042	3042	...	Shot from 2,646 ft. to 2,652 ft. with 160 lbs. dynamite, cleaning out.
N.W.C. & E.	1	S.	3096	3119	23	Drilling in lime. (Top lime at 2,483 ft.; 636 ft. in lime).
Southern Lowery	1	S.	3924	3924	...	Straightening bad hole.

NOTE—S—Standard; R—Rotary; DD—Diamond Drill.

Convertible Features Add to Desirability Of Corporation Bonds

Permit Transfer from Fixed Obligations to Equities

ARE POPULAR ISSUES

Offer Speculative Opportunities With No Loss of Security to Investor

During the summer of 1929, when bonds were practically in a state of eclipse and trading in fixed obligations was sluggish, the chief trading in New York was in convertible and warrant-bearing bonds which shared the rise of their junior securities. New financing, difficult through the medium of conventional bond offerings, when equities held popular favor, was materially assisted by "sugaring" bond issues with conversion privileges or attaching stock purchase warrants.

While convertible bonds are not new and appear periodically in conjunction with bull markets when the public in speculative fever disregards the security of bond issues for the lure of quick profits, the volume of such financing had risen since 1927 until in 1929 the largest volume ever offered in one year was marketed. Virtually all major financing in the United States involved some form of stock privilege and Canadian issues followed, to some extent, the trend across the border.

Privilege Has Value

The convertible bond carries the privilege of conversion into a junior issue, usually common stock, at a fixed price during specified periods. The investor thereby obtains the security of principal to be found in a bond with the privilege of sharing in the future prosperity of the company by transferring his holdings into equities in the company if he so desires. The ordinary bondholder possesses a higher factor of safety both as to principal and annual return than the holder of common stocks but his return is fixed and he does not participate in the progress of the company in which he has invested except through the additional security underlying the funded indebtedness of the company.

The common stockholder, however, participates in profits during periods of prosperity in which the market value of his stock may greatly increase while the bonds of the same company will fluctuate within a narrow range. Through the conversion feature the bondholder is enabled to exchange his secured investment for junior securities which, for various reasons, have become more attractive. In practically all cases the privilege is optional on the part of the bondholder.

The method of conversion and the terms used are subject to change with each issue and should be fully understood by the purchaser. The rules which govern the purchase of any high-grade industrial or public utility bond should not be disregarded and the mere presence of the convertible feature should not influence the prospective purchaser in favor of a mediocre security in preference to a high-grade issue. Security and other features being equal, however, the convertible bond or bond with share warrants has speculative possibilities which, in addition to strong security of principal, should make it a desirable addition to the investment portfolio.

Methods of Conversion

The simplest method of conversion is making the security convertible at the option of the bondholder, at a definite rate for a specific length of time. An example of this type is the 5 per cent convertible debentures series A, of Power Corp. of Canada which are convertible at any time up to December 1, 1932, into no par stock of the company on the basis of one share of stock for each $100 par value of series A debentures.

The rate at which the bonds may be converted may be changed over different periods offering a premium in many cases to the early conversion of the bonds. A case in point is that of the British American Oil 5 per cent debentures which are convertible into new common of the company by applying the principal amount of debentures into common shares at $25 per share to July 1, 1932; thereafter at $27.50 per share to July 1, 1934; thereafter at $30 to 1936; thereafter at $32.50 to 1938; thereafter at $35 to 1939; thereafter at $37.50 to July 1, 1940, and thereafter at $40 to maturity.

A variation of this method is the change of the conversion rate after the conversion of a fixed principal amount of the bond issue. An example of this type is the 6½ per cent debentures of the Detroit & Canada Tunnel Co. in which the first $2,000,000 of debentures to be converted will be exchanged for common stock on the basis of 125 shares of common for each $1,000 debenture; the next $2,000,000 at the rate of 110 shares of common; the next $2,000,000 at the rate of 90 shares and the remaining $2,500,000 at the rate of 80 shares per $1,000 debenture.

Avoid Stock Dilution

In the above examples are also outlined the two general methods of stating the conversion rate which may be done by specifying the number of shares into which a given principal amount of bonds is convertible or by specifying a definite price applicable for certain definite periods. Other methods are used but the above examples are the most common and cover most of the Canadian convertible issues. One item which the buyer of convertible issues should note, however, is the presence of a provision protecting the conversion privilege against dilution in the case of subsequent stock dividends, split-ups, etc. While this is usually provided for, its absence may cause the unwary investor considerable loss.

While the convertible bond has a value above the conversion point its market reaction is similar in every respect to the prevailing trend of the bond market and to bonds of other companies in the same field. Once the common stock of the company reaches the conversion point the bond will reflect the activity of the junior issue. This is one of the most attractive features of convertible bonds and gives the speculative possibilities to the issue. While the bond will never fall far below its proper investment level due to a severe drop in the market valuation of the common stock it will participate in any advance which the common may make past the conversion point.

Attain High Price

To this fact is due the keen activity in convertible bonds on the New York market during the summer of 1929. With stock prices soaring, the conversion point was passed by a number of issues and prices of the bonds affected went up as the conversion feature became more valuable. An example of this is the issue of American Telephone & Telegraph 4½ per cent convertible debentures which has attained a high of 193½ in 1930 as compared with a low of 137¼.

During the current year, despite a good demand in Canada for high-grade issues there has been a weak market for new industrial and public utility bond issues. Several strong companies have placed issues on the market which have been well absorbed but the total of such offerings to date has been below that of previous years. Under such conditions it is not unlikely that new industrial and public utility issues to be offered in the next six months or more will tend to be made more attractive by the inclusion of the conversion privilege or attaching share warrants.

Many bond and preferred stock issues which have the conversion feature have been offered in Canada during the past three years, participation has also been offered in many United States issues. The following list includes those issues with conversion provisions issued by Canadian investment bankers and which are most interesting to the Canadian investor; United States issues have been disregarded. In a succeeding issue of The Financial Post will be published a list of Canadian bond offerings which bear stock purchase warrants.

Canadian Bonds With Conversion Provisions

Issue	Dated	Due	Amount	Privilege Expires	Conversion Provisions
British American Oil Co. 5% Convert. S.F. Gold Debentures.	Mar. 1, 1930	1945	$5,000,000	Maturity	Into new common stock by applying the principal amount of the debenture in the purchase of shares at the following prices: $25 to July 1, 1932; $27.50 to July 1, 1934; $3 to 1936; $32.50 to 1938; $35 to 1939; $37.50 to 1940; $40 to maturity.
Canada Starch Co. 5% Convertible Debentures.	May 1, 1923	1943	2,000,000	Maturity	Into 7% preferred after May 1, 1926, on the basis of 10 preferred, par $100 each, for each $1,000 debenture.
Canada West-Indies Hotels Co. 7% Convertible Notes.	....	1932	500,000	Maturity	At option of company, into 7% cumulative preference shares on the basis of 1 preference share, par value $100, for each $100 principal amount of convertible notes.
Consolidated Press, Ltd. 6½% S.F. Convert. Gold Debentures.	June 1, 1929	1949	800,000	Maturity	Into class "B" shares on the basis of 2 shares for each $100 principal amount of debentures held.
Detroit & Canada Tunnel Co. 6½% Convert. S.F. Gold Debentures.	May 1, 1928	1948	8,500,000	Maturity	Into no par value common stock as follows: the first $2,000,000 of debentures surrendered, at the rate of 125 shares of common for each $1,000 debenture; the next $2,000,000 at the rate of 110 shares for each $1,000 debenture; the next $2,000,000 at the rate of 90 shares for each $1,000 debenture; the remaining $2,500,000 at the rate of 80 shares for each $1,000 debenture.
Dredging Contractors, Ltd. 6½% First Mortgage Bonds.	May 1, 1927	1947	500,000	Maturity	At holder's option into 7% participating preferred shares of the Georgia Hotel Co. on a par for par basis.
Eastern Dairies, Ltd. 6% First Coll. Trust Convertible Bonds, Series "A."	May 1, 1929	1949	3,000,000	May 1, 1939	Into no par value common on the following basis: For each $500 of bonds, 8 common shares to and including May 1, 1934; 7 shares to and including May 1, 1936; 6 shares to and including May 1, 1938 and five shares to and including May 1, 1939.
Foreign Power Securities Corp., Ltd. 6% First Coll. Trust Convertible Bonds, Series "A."	June 1, 1929	1949	5,000,000	June 1, 1934	Until June 1, 1934, into no par value common on the basis of one share common for each $50 principal amount of bonds held.
Fraser Companies, Ltd. 6% Convert. Coll. Trust Gold Notes.	July 1, 1929	1932	3,500,000	Maturity	At holder's option, into common shares of no par value on the basis of 10 common shares for each $500 note.
Great Britain & Canada Invest. Corp. 4½% Convertible Debentures.	April 1, 1929	1959	6,000,000	Maturity	At holder's option into common shares of no par value on the basis of 20 common for each $1,000 debenture. These debentures also carry warrants entitling the holder to receive without cost 10 common shares at a date not later than the date of the initial dividend paid on such common shares.
P. T. Legare Co. 6% Redeem. S.F. Debentures.	Oct. 1, 1927	1977	700,000	Sept. 1, 1947	At holder's option, into prior preferred voting stock, until Sept. 1, 1947, on a par for par basis.
McColl-Frontenac Oil Co. 6% First Mtge. and Coll. Trust Convertible Bonds.	Oct. 1, 1929	1949	7,500,000	Oct. 1, 1934	At holder's option, to Oct. 1, 1934, into no par value common shares on the basis of 20 such shares for each $1,000 bond.
Metropolitan Chain Properties, Ltd. 6% First Mtge. Convert. S.F. Bonds.	Nov. 15, 1928	1948	2,600,000	Nov. 15, 1933	At face value at holder's option into no par value common of Metropolitan Chain Stores, Inc., at the following rates: At a price of $100 per share to and including Nov. 15, 1929; at $115 to Nov. 15, 1930; at $140 to Nov. 15, 1931; at $165 to Nov. 15, 1932; at $190 to Nov. 15, 1933.
Northwestern Power Co. 6% First Mtge. S.F. Convert. Bonds.	Jan. 2, 1930	1960	$10,000,000	Jan. 2, 1945	At holder's option into common shares of Winnipeg Electric Co. on the following terms: At the conversion price of $65 a share up to and including Jan. 2, 1933; at $70 a share to Jan. 2, 1934; at $75 to Jan. 2, 1935; at $80 to Jan. 2, 1936; at $85 to Jan. 2, 1937; at $90 to Jan. 2, 1938; at $95 to Jan. 2, 1939; and at $100 to Jan. 2, 1945.
Power Corp. of Canada, Ltd. 5% Convert. Debentures, Series "A."	Dec. 1, 1927	1957	5,000,000	Dec. 1, 1932	At holder's option, at any time before Dec. 1, 1932, into no par value common stock of the company on the basis of one share of stock for each $100 par value of this issue of debentures.
Power Corp. of Canada, Ltd. 5½% Convert. Deben., Series "B."	Mar. 1, 1929	1959	10,000,000	Mar. 1, 1934	At holder's option, at any time before March 1, 1934, into no par value common stock of the company to the amount which the surrendered debentures will purchase at the conversion price of $150 per share.
Service Coal Corp. 6½ First Mtge. S. F. Convertible Gold Bonds.	Nov. 1, 1929	1949	250,000	Jan. 1, 1935	At any time to Jan. 1, 1935, holder's may surrender these bonds and receive these for the maximum number of no par value common shares which the bonds so surrendered will purchase at $25 per share.
Traymore Limited 7% Coll. Trust Convertible S. F. Gold Bonds.	May 1, 1930	1935	200,000	Maturity	At holder's option at any time before maturity into no par value common shares of the company on the basis of 15 common shares for each $100 par value bond.

WEST KOOTENAY COMPLETE PLANT AT SOUTH SLOCAN

Marks Third Development on Kootenay River

From Our Own Correspondent

MONTREAL.—West Kootenay Power and Light Company, a subsidiary of Consolidated Mining and Smelting Company, has completed a 56,000 kilowatt hydro-electric development on the Kootenay River at South Slocan, B.C.

This project is known as No. 3 plant and is the largest development of the series owned by the company on the Kootenay River. No. 2 plant, located two and a half miles upstream from the new plant, was constructed in 1906, to generate 26,000 kw. under a 70-foot head, and No. 1 plant, situated midway between No. 2 and No. 3, was constructed in 1923 to generate 44,500 kw. under a 70-foot head.

These three plants untilize an actual head of 210 feet of a total fall in 13 miles of 270.5 feet.

Construct Two Dams

Power house for No. 3 plant was located on the downstream end of the Western Channel to take advantage of the natural fall in the river. It was necessary to construct dams extending upstream from the headwork structure, on the island, and also on the western shore, to impound the water in front of the head gate. The dam on the western shore is 425 feet long, with a maximum height of 60 feet. The dam on the island side has a length of 1,311 feet with a maximum height of 70 feet.

Three generators, each of a diameter of slightly over 27 feet, have been installed. They are assembled directly over the turbines, and are supported on massive reinforced foundations. The three turbines have a capacity of 25,000 h.p. each, at 70 feet head.

The switch-house structure contains two stories and a basement. The basement contains only the main lead cables from the generators, and the outgoing leads to the transformers. The structure is of the modern out-door type, with concrete foundations and steel overhead structure.

Onalto Oils Installs Pumping Equipment

From Our Own Correspondent

MONTREAL. — The balance of the pumping equipment required at Onalto's No. 1 well recently arrived after having been considerably delayed in transit. It was immediately installed and a production test was conducted on August 2. Managing Director John L. Daugherty wired the following report to his directors: "Production test sixteen hours 215 barrels and getting better. Far exceeding our expectations." When the well first "came in" several weeks ago Mr. Daugherty estimated that its initial production would be from 100 to 150 barrels daily. The production test indicates an actual production of approximately 322 barrels daily.

Onalto's crude tests 22.4 Baume, and is free from water. This is the highest grade crude oil located to date in the Wainwright field.

B. C. Electric Record Good Appliance Sales

From Our Own Correspondent

MONTREAL.—B. C. Electric Railway, controlled by B. C. Power Corp., report sales of gas appliances in June last to the value of $20,621, and the estimated annual revenue therefrom of $9,470. This compares with a sales price of $16,499 and an estimated annual revenue of $8,286 in the same month last year.

Sales of electrical appliances by the same company during June, 1930, totalled 1,351, with an equivalent in kilowatts connected of 1,006, and an estimated annual revenue of $7,456. In the corresponding month of 1929, 1,696 appliances were sold, equivalent to 1,131 kilowatts connected and an estimated annual revenue of $7,572.

400,000,000 BUS. IS HIGH ESTIMATE FOR COMING CROP

(Continued from page 9)

by far the greatest single crop in the world. It is greater than the whole wheat crop of Europe. It is about 60 per cent as great as all the wheat crops of the world put together. It has several times been three thousand million bushels. The five year average is two billion, seven hundred thousand bushels, and last year's crop fell just short of the five year average. With a crop of such tremendous size a slight variation in condition means a great deal in the total number of bushels produced, and drought which has prevailed over the corn belt in July is believed to have made a great reduction in possible yield. Recent estimates are for a crop of two billion, five hundred thousand bushels, a drop of three hundred million bushels from the beginning of the month and much greater deterioration is still possible. It will be a long time yet before the corn crop is finally made, and great variations in conditions are still possible.

But it is worth watching for its possibilities as one of the greatest influences on the wheat market. If short enough, it might result in a tremendous consumption of wheat as feed, and in taking pressure of United States supplies off the world's wheat markets. That, it should be remembered, is a long term influence, with more effect on the possible price of wheat a year from now than at the present time.

Spasmodic Buying

Export conditions in wheat continue without any great change. Export buying inclines to be somewhat spasmodic, with occasional heavy spurts on sharp declines and then dullness for several days. The Winnipeg market was dangerously out of line with Chicago for a brief period, tending to throw to the United States a preponderating share of the export business from the North American continent, but the discrepancy has been corrected in recent days.

The French harvest is well under way, and recognition of the fact that it is considerably smaller than last year's is given in government permission to mix ten per cent, instead of three per cent of foreign wheat in milling mixtures. Rye prospects in Northern Europe are considered to be about up to last year, and it must be remembered that one cause of weakness in wheat was the abundance of rye last year. Other grain crops, and vegetable crops, whose plenty was the cause of lessened wheat consumption, are as likely to fall a good deal below last year. Reports from Australia continue to insist that 17,000,000 acres were sown to wheat as against only slightly more than 14,000,000 acres last year. Some of this, it is conjectured, may be cut for hay, but the size of the increase seems likely to be sufficient to offset anything in the way of reduction in the United States that the efforts of the Farm Board are able to bring about.

Some small quantities of feed barley from the west are finding a market in Ontario, but the movement is slight when the great cheapness of barley as compared with the price of hogs is considered. There will have to be a great increase in feeding operations in Canada to take care of the supplies of barley on hand and in sight from the coming crop, unless an export market opens up again. Barley continues to be worth less per bushel than oats, with the discount less than prevailed a short time ago.

Difficult to Forecast

The coming crop continues to be an extremely difficult one to forecast. There are large areas with remarkably good crops and other large areas where the crop is almost a failure. Four hundred million bushels of wheat is considered to be an almost impossibly high estimate, and three hundred and fifty million bushels on the low side. Last year at this time it was generally thought the western wheat crop would hardly exceed two hundred and twenty-five million bushels, but the final outcome was probably two hundred and eighty. Harvest will be long drawn out, for while some fields are already being cut, a good deal of wheat will not be ready much before September, unless hot weather forces it to premature maturity. Recent very hot weather has impaired prospects in some places, but on the other hand has hurried along to maturity wheat in areas extensively threatened by rust.

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Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

International Utilities

I would like the history of the International Utilities Corp. class A stock. Would you favor purchase of these shares?

There are 189,775 shares of class "A" no par value stock of International Utilities Corp. outstanding. This stock is entitled to receive ordinary dividends cumulative from October 15, 1924, of $3.50 per share per annum before any dividends can be paid to class "B" shareholders. In any year in which dividends at the rate of $3.50 per share per annum have been paid or provided for the class "A" stock then a dividend at the rate of $1 per share per annum may be paid on the class "B" stock. In further dividends class "A" and class "B" will share alike until class "A" gets as much as $5 a share when all subsequent dividends would accrue to the class "B" stock. Dividends have been paid regularly on the $7 preferred stock and on the $3.50 class "A" stock, but no dividends have been paid on the class "B" stock as yet.

In 1929 the earnings on class "A" common amounted to $5.76 while $3.50 was paid. The class "B" stock earned 64 cents a share under participating feature provisions. Working capital was weak at the end of 1929, but this position has probably been restored by the sale of Kentucky Securities Corp. early in 1930 to Middle West Utilities Corp., while the profitable Western Canada subsidiaries are being sold to the Dominion Gas & Electric Co., which is controled by the American Commonwealth Power Corp.

By this policy of selling properties the company is giving itself doubtless a strong working capital position which it may utilize in the purchase of investment stocks. The position is fairly favorable at present and distinctly attractive for the future.

We would not favor purchase of this stock in preference of stocks of Canadian companies if the company has definitely withdrawn from the Canadian field.

Cleaning House

As per your advice I have bought ten Montreal Light & Power, customers subscription. I hold 10 Steel Wares at 38½, 10 Building Products at 45, 10 B.C. Packers at 27, and 10 International Utilities A at 46½. Do you suggest taking a loss on these and buy Imperial Oil, B.A. Oil, Imperial Tobacco and International Nickel?

I also hold 100 Home at $18, 200 Associated Oil & Gas at $3 and 200 Dalhousie Oil at $3. Do you suggest averaging, taking a loss and investing in more conservative stocks or just wait for another oil movement?

In your place we would take the loss on General Steel Wares common stock as it will probably be a long wait before this stock is in a position to pay dividends after return of active business. We would also sell Associated Oil & Gas and Dalhousie Oil as there is no present advantage in the hold and development costs to date have not been rewarded by corresponding success. Home Oil stock has been too high, dividends have been on too liberal a plan, but results of operations to date give hope for a hold for one who will disregard intermediate fluctuations in the hope of outstanding success.

We would in your place also hold Building Products because the company is well financed, well managed and has good prospects in an expanding industry. Here also you should ignore intermediate fluctuations due to changes in construction levels, knowing that ultimately the level of building in Canada will always come up to and surpass previous levels. We would also hold B.C. Packers because strenuous efforts have been made in recent years to overcome the influences which have been making in recent years against success in an industry which should be profitable. If you sell, sell in the year that the company has a good pack and profits lead speculators to expect a renewal of dividends.

International Utilities "A" at 41½ shows you a five-point loss. The working capital position of the company at the end of 1929 was somewhat impaired but the sale of Kentucky Securities Corp. to Middle West Securities Corp. is believed to have restored that position. The company appears to be changing its character to that of an investment trust. Exact monetary considerations for sale of Kentucky Securities Corp., and for disposing of profitable Western Canadian properties, have not been divulged, but it would appear to us conservative for you in this case to find out how the company comes out of these large transactions before getting out of the stock. Its next financial statement should make that apparent. It might possibly turn out to be more profitable to stay with your present stock than to abandon it.

Your position would be much stronger from an investment point of view by getting into Imperial Oil, British American Oil, Imperial Tobacco and International Nickel and staying with them over a term of years than by holding the stocks to which we have given a qualified approval. The risks would not be so great and the profits from appreciation might conceivably be as great as in any of the others.

Imperial Tobacco

Do you consider that Imperial Tobacco is a good investment for a long hold?

Imperial Tobacco is a well run company with a good dividend record. The stock should be good for a hold for a number of years.

International Pete

What is the present position of International Petroleum?

International Petroleum is a subsidiary of Imperial Oil Co., and Standard Oil of New Jersey. It is a producing company having important production in Peru and Colombia and its dividends and earnings have been increasing year by year at an impressive rate. The only hazards against continued progress appear to be the present state of over production of crude oil and the hazard of political or revolutionary activities in South America. Curtailment programmes so far seem to have been successful, and the company enjoys good relations with the governments of the countries in which its operations occur.

Paramount Publix

I own some shares of Famous-Players which I can still exchange for shares of Paramount Publix. Would you recommend this exchange?

We should recommend the exchange of your Famous-Players common for the shares of Paramount Publix. There is practically no trading market for Famous Players' shares while the quoted price is below the equivalent market value obtainable in shares of Parmount Publix. The lot of the minority shareholders of Famous-Players may not be a happy one and an exchange would be desirable.

Power Corporation

Would you be kind enough to give us your opinion of Power Corporation of Canada, common, as a long hold investment?

As a medium for investment in public utility securities, Power Corp. of Canada common stock is regarded in a favorable light. Though this company has not been in operation for any lengthy period, it has developed into one of the largest holding and operating utility organizations in Canada. Through its association with the Nesbitt, Thomson group of public utilities, Power Corp. occupies a strong position in the Canadian utility field. Furthermore, it has large investments in other Canadian and American utilities.

Earning power and appreciation of securities held by the company, have developed along satisfactory lines. In an interim report for the six months ended December 31, 1929, it was shown that earnings of the company had increased, while there was a further gain realized from the sale of investments. The cost of securities held was stated to be less than the then current market quotations. The fact that the management declared a dividend of $1 last month, is taken to indicate that Power Corp finished its fiscal year on June 30 last in a strong position.

Though the common stock can hardly be regarded as on a permanent dividend basis, distribution of profits to the shareholders in the last two years, has provided a comparatively high yield on the capital invested. The initial dividend was declared in December, 1928, when the dividend of $1 was declared. In September last year, the company declared a 5 per cent stock dividend, and this was followed by another $1 dividend in December, 1929. If the management follows its previous policy, another stock dividend will be declared this fall, followed by a cash disbursement at the end of the year.

Stimson

Could you give me any information regarding G. A. Stimson & Co., Toronto? Are the National Debenture Corp., Marine Building in Vancouver and Commerce & Transportation building in Toronto sound ventures? Would you give me a list of some good Canadian bonds?

In view of the nebulous state of the information given out with regard to the earnings and financial position of all the Stimson companies and in view of the fact that there is not general marketability for most of the securities of these companies, we would consider it better for you to invest in good bonds about which definite investment information can be secured. You can obtain such stocks as the following with good investment value and excellent yields:

Abitibi, first mortgage 5 per cent due 1953, giving a yield of 6.19 per cent; Montreal Tramway A 5 per cent due 1955, giving a yield of 5.34 per cent; Ogilvie Flour 6 per cent A bonds due 1932, giving a yield of 6 per cent if you want an early maturity; Canada Bread 6 per cent due 1941, giving a yield of 5.87 per cent; Canadian Canners 6's due 1950, selling from $100 to $102.25.

City Dairy

I am considering buying some City Dairy. Would you give me your opinion of this stock as a buy at the present time?

City Dairy is enjoying special prominence on the stock exchange at this time because it has received an offer from Borden's. The company is strong in its own right and has done exceedingly well as the chief Canadian dairy company in Toronto. It apparently has bright prospects.

Expansion will no doubt continue, but in the event of exchange of City Dairy for shares of Borden's you will own stock of a United States company which may not be listed on a Canadian stock exchange. You would have to consider the condition of its subsidiaries not only in Toronto and Hamilton but all over the continent.

Alberta Pacific

Can you let us have any reliable information concerning the present financial position of the Alberta Pacific Grain Co.? We have the balance sheet for June 30, 1929, which shows that it was in a very good position. It has been rumored that it lost a large sum of money on flour mill operations at Vancouver during the past year, and also that the elevator earnings were much below the previous year, at that date. Will you kindly let us know if there is any truth in these rumors, and any other information you can let us have about this company will be appreciated?

There has been practically no information disseminated by the management of Alberta Pacific Grain Co., and it is not possible to form an accurate opinion on the current position of the company. This policy denotes lack of foresight, but is common to many other Canadian corporations which do not see fit to keep their shareholders informed on operations. Enquiries of the company for information, have not been fruitful.

Judging by information to hand on the wheat situation in the West, Alberta Pacific Grain Co.'s operations since the beginning of the current crop year, can hardly be said to have been as profitable as in the preceding year. There has been less cleaning and handling, while the volume of grain in storage has been smaller.

We doubt the ability of the management to report earnings as high as last year, but unless operations have been much worse than estimated, the company should be able to take care of its preferred dividend requirements handily. The financial position of the company at the end of June, 1929, was very good. There would have to be a very considerable decline in earnings before this position would be affected. But, until the management takes a different stand on the question of supplying information to the shareholders, it is out of the question to give a worthwhole opinion on the current position of the company.

Brooks Steam Motors

I am a shareholder of Brooks Steam Motors, Ltd. and understand that the company has moved to the United States. If this is the case is the stock of the American company exchanged for that of the Canadian company?

There is a Brooks Steam Motors, Inc., in Buffalo and a Brooks Steam Motors Ltd., in Stratford. The latter is now in liquidation. Your Canadian company stock is not transferable into stock of the United States company.

Southern Canada Power

I have been offered $106 for my Southern Canada Power preferred shares in exchange for 6 per cent debentures of National Water Works Corp. at 97½. Would you recommend this exchange?

The offer made to you to exexchange shares of Southern Canada Power preferred at $106 for National Water Works 6 per cent debentures at 97½ appears to be a fair one and your acceptance should depend upon personal factors of which we have no knowledge.

We believe, however, that you would be well advised to retain your shares of Southern Canada Power. The company is showing excellent progress. Net earnings for the nine months ended June 30, 1930, show an increase of over 5 per cent more than the net earnings for the corresponding period of the fiscal year ended September 30, 1929. The company is expanding and progress is reported as satisfactory.

In the fiscal year ended September 30, 1929, the company earned $15.91 per preferred share after all prior charges as against the dividend requirements of $6. Preferred dividends have been paid regularly since the initial payment on April 1, 1930, and earnings have shown consistent increases from year to year.

The price of $106 per share offerred you is practically the high for 1930 and is quite fair. The price range for 1929 was 110 to 102 and for 1928, 111½ to 104. The stock is highly regarded and there is a very small turn-over on the Montreal Curb.

The National Water Works of 6 per cent debentures are a direct obligation of the corporation which was formed in April, 1928, to acquire and operate through subsidiary companies, water works and other public utility enterprises in the United States. The corporation operates chiefly in Pennsylvania, New Jersey, New York, West Virginia and Tennessee. As at December 31, 1929, the company had total assets of $11,923,743 while Southern Canada Power Co. had total assets of $24.084,771 on September 30, 1929.

National Water Works earned its interest charges by 1.77 times and had a funded debt of $3,923,800 and notes payable of $1,102,000. The funded debt of Southern Canada Power, including that of its subsidiaries totalled $6,866,268 and interest was earned 3.32 times after depreciation in the last fiscal year.

Dominion Glass

What do you think of Dominion Glass, common and preferred, for one who requires income with investment security?

Both the common and preferred stock of Dominion Glass Company are regarded as sound investments. The company has a long and favorable record of management, combined with well established earnings. While the business of the glass company has dropped off in the past twelve months, there is little doubt of the ability of the management to maintain dividend payments.

Quebec Telephone

Will you be good enough to give me your opinion regarding Quebec Telephone & Power Corp. class "A" stock?

Quebec Telephone & Power Corp. has not established an adequate earning power and its stock is looked upon as a speculative issue. Several months ago new financing was carried out and with the proceeds it was proposed to retire the funded debt of the company, provide for expansion and other corporate purposes. The class "A" stock was placed on a $2 dividend basis. While the estimate of earnings was realized, expenses of the company were such that the management found it necessary to cut the dividend on the class "A" stock to $1 a share, in order to conserve the cash position of the company. For the year ended December 31, 1929, earnings on the class "A" stock, based on the number of subscribed shares, was $1.17. This compared with dividends paid during the year of $1.60. As a consequence, there was a deficit for the year of $10,738.

Over a period of time, Quebec Telephone and Power Corporation will likely develop a substantial earning power, but in the meantime the stock should be regarded as speculative.

Mining Inquiries

Canusa

What is the present standing of Canusa Mining & Exploration Co.? Has any progress been made during the past year? I bought shares at 60 cents in March, 1929, believing it a fair speculation.

Canusa Mining & Exploration resumed operations again July 1 after being closed down for several months. It has been hard pressed for funds but according to reliable information some big interests have recently become interested in the company. The work carried out on the property indicates that it has merit and its further expenditure is justified.

The capitalization of the company is $3,000,000 in $1 par value shares of which 1,250,000 shares are issued. The additional financing proposed will probably increase this to the extent of 300,000 shares. The additional funds should permit development work which will tell the measure of success the company is likely to enjoy.

British Petroleums

Some time ago I bought 50 shares of British Petroleums, Ltd., for which I paid cash. After many requests these shares were delivered but I have heard nothing of the company since. Would you please advise me as to its status?

British Petroleums Ltd. was taken over early in 1929 by the Hargal Oils Ltd. on a basis of 10 shares of British Petroleums stock, plus 10 cents for each share of Hargal Oils.

You do not state at what time you acquired your British Petroleums stock so we cannot determine whether it was before or after the merger.

Hargal Oils owns 40 acres in Turner Valley on which one well has been drilled to a depth of 5,340 feet and now is being tested for production. In addition to the Turner Valley holdings the company owns several thousand acres in the Wainwright field on which several wells have been drilled without commercial success.

Hargal stocks is selling around 17 cents per share which gives a valuation to your 50 shares of British Petroleums of 85 cents.

Mining Corporation

I should like to know the properties in which Mining Corporation is interested and the prospects of the company. Does the company still pay an annual dividend of 25 cents? Is the stock a good one to hold?

The chief interest of Mining Corp. of Canada Ltd. is in its silver mining operations at Cobalt, Ont., whose production is now curtailed through depletion. Final extraction of ore is gradually being completed.

The chief hope of the company is its interest in various subsidiary companies. It owns 90 per cent of the stock at the Quemont Mining Corp. which is developing a copper-gold prospect in Quebec. It also has controlling interest in the Mincor Exploration & Development Co. which is exploring property in the Sudbury area. It owns 700,000 shares of the Base Metals Mining Corp., which is a producing lead-zinc property near Field, B.C., and it has an unstated interest in the Hudson Bay Mining and Smelting Co.

It will thus be seen that it is heavily interested in base metal properties but owing to the present state of the base metal market it is not likely to achieve any revenue for some time, through these holdings.

Dividends were payable at the rate 25 cents per annum in the middle of December and the middle of June but in May dividends were passed and there is no likelhood of their being resumed until Base Metals Mining Corp. or Hudson Bay com-

When Women Invest

A WEEKLY FEATURE

Noranda

My daughter has a few hundred dollars to invest and I should like your opinion of Noranda as a possibility. Immediate return is not important and there is no reason why the investment should be touched for a number of years. She does not want an out-and-out speculation but is prepared to accept some risk.

Stock in Noranda Mines over a period of years prove a satisfactory hold. The present return in dividends is $2 per share annually which at present market valuations is equivalent to almost ten per cent.

The company has an ambitious expansion programme which, when completed, should materially increase the company's earnings. Developments at the mine, too, are encouraging. Only recently an ore body high in gold content was discovered.

Noranda is essentially a copper producer and the present state of the copper market has been unsatisfactory for the majority of copper producers. However, Noranda is in a preferred position owing to the high precious metal content of its ore, and although the present price of copper leaves but little profit we do not believe that there is any immediate danger of a dividend cut from the present $2 rate. This possibility of a dividend cut, however, is the gamble in purchasing the stock at the present time; but a hold over a period of years would prove remunerative to the holder.

Deeded Oil Royalties

I am enclosing circular re deeded royalties. I have been approached to purchase one unit of this. What is your opinion of this? Is it a fair speculation? I cannot afford to gamble.

You are offered a "deeded royalty interest" at $1,200, representing the 1/1600 part of the royalty interests under 160 acres known as the Sinclair-Vencl farm on the southeast quarter of section 31, township 11, north range 2 west, Oklahoma county, Oklahoma. Brock Securities Corp. report that drilling on this block by Sinclair Oil Co. has had spectacular results since they began to sell the deeded royalty interests.

The Sinclair Oil & Gas Company northwest of Lovelock. The new is hard at work on a programme of drilling 16 wells on this property, or 1 well for every 10 acres. When Brock Securities Corp. sent out a circular on June 6, 4 wells had already been brought in, but since that time the number has been increased to 9 wells which are reported to have come in with important production. On June 6, the circular reported the present yield to be approximately 1 per cent monthly and a few weeks ago they advised that [illegible] had increased to 7 per cent monthly. Now the claim is made that 9 per cent monthly can be expected on the basis of present production.

Such an enormous change for the better is so unusual as to seem unbelievable. The normal expectation would be when 1 per cent was being earned on the basis of 4 wells being brought in that 2 per cent might be earned monthly when 8 wells were brought in and 4 per cent be earned monthly when 16 wells were brought in. The answer is that the first 4 wells were reported having an initial capacity of 14,000, 3,310, 4,570, and 5,000 barrels of oil daily respectively. However, Brock Securities Corporation report number 5 well to have come in with 30,000 barrels daily, number 8 to have come in with 10,000 barrels daily, number 9 to have come in with 33,624 barrels daily, number 11 to have come in with 25,885 barrels daily and number 12 with 25,000 barrels daily. Therefore, to the original 26,880 barrels with the first 4 wells there have been added about 125,000 barrels daily or nearly five times as much.

It must be remembered that in Oklahoma as in other oil states production is being curtailed to a very large extent. The wells brought in are allowed only to produce up to 1/6th of their capacity. The actual production therefore, of the first 4 wells has been at the rate of about $168,000 a month of which the royalty owners are entitled to receive ⅛th or $21,000. As the total reported potential production of 9 wells is about six times the potential production of the 4 wells, the income being received or about to be received now should be about $126,000. To get 7 per cent would require $134,400.

Obviously, whether the monthly return is 1 per cent, 5 per cent 6 per cent or 7 per cent, the investment would be a wonderful one if the holder could be sure of safety and of permanence. As the wells are producing only to 1/6th of their capacity at present, the possibilities are even brighter, granted permanence and safety.

As a matter of fact, the duration of such returns is the one thing that cannot be looked for. The normal experience, covering all oil wells, is that royalties should have depreciation written against them of from 33 per cent to 50 per cent annually. The initial production is seldom maintained at the end of a year and at the end of two years too many wells are exhausted. It becomes of great importance to know the history of a field and of still greater importance to know the history of a sand from which the oil comes. The Oklahoma City oil field was only discovered near Oklahoma City on December 4th, 1928 and most of the wells are therefore young. The present wells go to the Wilcox sand which is regarded as a long-lived oil sand. All of these wells have come in below 6,000 feet and if these wells live up to the history of many oil wells drawing from the Wilcox sands, they may live considerably beyond the allotted span for most oil wells.

The oil is reported to be of high gravity — 38 degrees to 44 degrees and of high gasoline content. On the basis of representation made, therefore, these deeded royalty interests have undoubted speculative attractions. A Canadian buying royalty interest, however, is in somewhat the same position as a man buying a lot he has not seen in another city. Each royalty interest has to be considered on its own basis, and future revenue depends absolutely on how much petroleum remains 6,000 feet underneath this 160 acres. That is the gamble in this deal; you can guess intelligently but you cannot know.

The Sinclair Oil & Gas Co. will spend more than $2,400,000 in the drilling of 16 wells on the property and therefore must expect to get this amount back and a goodly amount besides in profit. On the basis of $1,200 for 1/1600 part of the royalty interests under this property, royalty owners are expected to pay $1,920,000 and will have to get earnings on this capital amount and their return on capital from ⅛th of the production by the operating company.

Noranda, Hudson Bay M. & S.

I am inclined to buy a few shares of Noranda and Hudson Bay Mining & Smelting. What would you recommend me to do?

Noranda Mines, in our opinion, would provide a satisfactory investment held over the next two or three years, it is paying nearly 10 per cent return on the money and while there is the possibility of dividends being cut we believe that they will be earned this year, and upon return of better metal prices will show earnings that should enhance the value.

Hudson Bay Mining & Smelting is a big development which must rely on improved base metal prices and the present price and uncertain future of the base metals makes the stock in our opinion highly speculative. We would prefer to defer new commitments pending evidence of improved metal prices, and believe there is no need to rush the purchasing of shares in this company.

Beardmore Gold

Is the Beardmore Gold Mines of Ontario in operation? Is the stock listed, and at what price?

I may say that a considerable amount of this stock has been sold on P.E.I. at a large figure. In your opinion, is the mine a paying proposition, and is the stock a good buy?

Beardmore Gold Mines Ltd. is capitalized at $5,000,000 in $1 par value shares of which approximately 2,400,000 shares are issued. It owns a gold prospect in the Nipigon forest reserve of Ontario which has been under development during the past two years. Considerable work has been done without definite results which would enable one to determine its possibilities. It is purely a prospect of uncertain merit.

A recent report by the mines manager states that since the break-up this spring another interesting find in the form of a similar heavily mineralized vein located approximately one-half mile south of the No. 1 vein on which the No. 2 shaft was sunk. Sample assays gave $6.60 in gold from the surface of this vein. Early this year it was announced that a 50-ton mill would be erected at once. However, construction has not started to date owing to finances not being available.

We do not regard shares in the company as attractive, and recommend that they be avoided. They are not listed on any exchange, and would be very difficult to dispose of.

Associated Oil & Gas

What is your opinion of Associated Oil & Gas Co. at the present time? I hold 15 shares at $5.50 per share and if you consider the stock promising I would buy more to make a better average.

We would not advise further commitments in Associated Oil & Gas until such time as it demonstrates what it is capable of earning.

Late last September the company's No. 1 well came into production and it looked as if it would be a big producer. However, the production for May was but 4,724 barrels of crude naphtha while June was 3,546 barrels. This is not sufficient production on which to show any appreciable earnings.

Home Oil Stock

A lady client at this branch was recently left from her late husband's estate, a certificate for 100 shares of Home Oil stock. We understand the purchase price was approximately $10 per share and as our customer's financial means are quite limited, she is anxious to know if it would be advisable to dispose of the stock at the present market value and reinvest in a bond that has no speculative features.

As you are aware, dividends of this company have been suspended and we shall also appreciate you advising us what the prospects in this respect for the future are.

While the possibility cannot be ignored of a striking success being obtained by a company with such an energetic drilling programme as Home Oil, it would nevertheless appear to be the conservative thing for your client to sell her stock at the present market value and reinvest in a bond that has no speculative features. The company no doubt suspended its dividend because earnings of late have not been sufficient to pay it. It is understood also that it is experiencing diminishing production per well as additional wells are brought in. The Home Oil Company's property is more intensively developed over a limited area than that of any other of the Turner Valley companies, and the inevitable result of this is lower production per well.

Pre-Cooling Plants Planned

It is announced that the Federal Department of Agriculture has authorized the installation of three pre-cooling plants in the Annapolis Valley in the course of the present year. The plants will be located at Bridgetown, Port Williams and Wolfville.

Are You Profiting from Present Conditions in the Bond Market?

The full effect of existing low rates for money has not yet been felt in the bond market. ¶ Present market conditions are therefore exceptionally favourable to the bond investor, both from the standpoint of yield and some capital appreciation. We shall be glad to suggest suitable selections from the representative issues on our new offering list.

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LOUIS GUENTHER, *Publisher.*

53 Park Place New York, N.Y.

Calgary Utilities Pay

The three large utilities operated by the city of Calgary—waterworks, street railway and light and power—showed substantial surpluses for the first six months of the year. Electric light revenue recorded a surplus of $14,054; that from street railway operation showed a surplus of $12,140 while the waterworks surplus was $10,104.

MONTREAL POWER AND SHAWINIGAN

A STUDY of the growth of these two great public utilities, with particular reference to their securities from the standpoint of the investor, will be found in our

August Market Letter

The essential differences between the two corporations in their operations and financing are analyzed. A copy will be sent on request.

JOHNSTON AND WARD

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L. R. Crandall, J. F. McPherson,
G. A. Fuller, J. E. Price,
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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING AUGUST 4

Range 1930 High	Low	Divd. Rate $	Yield in % Aug. 2		Close July 28 (or last)	Week Ending Aug. 4 High	Low	Close
42¼	22½	.	...	Abitibi, c.	25¾	26	25½	25½
110	103	7	6.79	Do. pref.	103	..	..	..
87	65	6	7.79	Do. pref.	77	77	77	77
14	8¼	.	...	Agnew Surp., c.	9	..	..	..
95½	93	7	7.52	Do. pref.	94	93	93	93
28	9	.	...	Alta. Pac. Grain	10	11	10	11
91	85	7	8.28	Do. pref.	85	..	..	..
15	14	.	...	Amal. Elec.	15	..	..	..
89	86	3	8.33	Do. pref.	36	..	..	..
3¾	¾	.	...	Asbestos, c.	1	..	..	..
15	2	.	...	Do. pref.	3½	..	..	..
18	14	2	14.28	Assoc. Brew.	14¾	14¾	14	14
95	85	7	8.23	Do. pref.	85	..	..	..
18¾	14	1.50	10.71	Assoc. Can.	14	14	14	14
8½	4½	.	...	Atlan. Sugar	4½	..	..	..
45	40	.	...	Do. pref.	43	..	..	..
175	170	10	5.84	Can. Nat.	171	171¼	171	171
325	290	12+2	4.71	Bk. of Montreal	296	303	297	297
355	315	16	4.98	Bk. of N. Scotia	318	325	320	321
262	237	12+1	5.48	Bk. of Toronto	239	237	237	237
30	30	1.50	5.00	Barcelona Tr.	30	..	..	..
10½	8	.	...	Bathurst Pr.	10	9	9	9
4½	3	.	...	Do. (B)	3	..	..	..
26	26	50c	...	Bawlf Grain	26	..	..	..
83	74¾	6.50	8.69	Do. pref.	74¾	..	..	..
22½	15	1.60	9.41	Beath & Sons	17	..	..	..
33	22	2	7.14	Beatty Bros.	27	28	27½	28
92	85	7	8.69	Do. pref.	87	..	..	..
15½	9¾	.	...	Beauharnois	10	10⅛	10	10
130	123	7	5.60	Belding Cort.	125	..	..	..
110	98½	7	7.00	Do. pref.	100	..	..	..
101	90	7	7.65	Belgo C. P. pf.	91½	..	..	..
159½	145	8	5.28	Bell Telephone	151	151½	150	151½
10½	10½	.	...	Biltmore Hats	10½	..	..	..
85	85	7	8.23	Do. pref.	85	..	..	..
22	15	2	13.33	Bissell	15	15	15	15
97	88	7	7.95	Do. pref.	88	..	..	..
19	15	2	13.33	Blue Ribbon Cp.	16	15	15	15
38	32¼	3.25	10.00	Do. pref.	32½	..	..	..
25	22	2.50	11.36	Brading Brew.	22	..	..	..
24	20	2	9.09	Brant. Cd., pf.	22	22½	22	22
55¼	35¾	2+1a	5.33	Brazilian	39¾	40	37	37½
2	1¼	.	...	Brew. & Distil.	2	..	..	..
23	15¾	80c	4.67	Brit. Amer. Oil	17⅝	17¾	17	17⅛
18¼	5	.	...	B.C. Packers	7	..	..	..
[illegible]								

Range 1930 High	Low	Divd. Rate $	Yield in % Aug. 2		Close July 28 (or last)	Week Ending Aug. 4 High	Low	Close
26	18	1.50	7.79	Gypsum, Lime	19¾	19⅞	19¼	19¼
38¾	19½	2	7.69	Ham. Bridge	25	26½	25	26
90	84	6.50	7.55	Do. pref.	86	..	..	..
25	23	2	8.69	Ham. Cot., pf.	23	..	..	..
11	5	.	...	Ham. Un. Theat.	5½	..	..	..
82	64	7	9.33	Do. pref.	75	..	..	..
31	14¾	1	...	Hayes Wheel	15	..	..	..
95	90	7	7.52	Do. pref.	93	..	..	..
50	50	6	12.00	Hillcrest Coll.	50	..	..	..
91	91	7	7.69	Do. pref.	91	..	..	..
17	5	.	...	Hinde & Dauch	6	..	..	..
120	120	3	2.50	Holt Renfrew	120	..	..	..
96¼	93	7	7.44	Do. pref.	94	..	..	..
13	6	.	...	Honey Dew	7	..	..	..
64	55¾	7	12.55	Do. pref.	55¾	..	..	..
x21	16⅛	.	...	Howe Lumber	19	..	..	..
25	20	2	9.87	Humberstone	20¼	..	..	..
28	20	1+50	7.40	Hunt (A)	20½	20¼	20¼	20¼
30	20	1+50	6.59	Do. (B)	22¾	..	..	..
157	150	8	5.33	Huron & Erie M.	150	..	..	..
31	29	.	...	Do. 20% paid.	29½	..	..	..
55	37	2	5.12	Hydro Electric	39½	39	39	39
245	226	12+1	5.72	Imperial Bank	232	227	227	227
29¾	18	50c	2.39	Imperial Oil	20¾	20⅞	19½	20⅞
10½	9	35+10	4.50	Imperial Tob.	9½	10	9½	10
53¾	35	1/50a	...	Int. Hyd. E. A.	39¼	..	..	..
105	95	7	7.00	Inter. Mill., pf.	100	100	95	100
90	88	6	6.66	Do. Series A.	88	..	..	..
44½	20¼	1	4.25	Inter. Nickel	25	25	22½	23½
.40	24		...	Do. Rights	.31	..	..	..
17½	12	1.50	10.00	Inter. Paints A.	15	..	..	..
31	26⅞	2.40	8.57	Int. Pap & Pr.	26⅞	..	..	..
20½	18½	.	...	Do. (B)	20½	..	..	..
16⅞	14½	.	...	Do. (C)	14½	..	..	..
83	82½	7	8.45	Do. pref.	82¾	..	..	..
24	17⅞	1	5.26	Inter. Pete.	19⅛	19½	18¾	19
18	12	.	...	Inter. Power	12½	12½	12½	12½
91	79	7	8.33	Do. pref.	85	84	84	84
51	34¾	3.50	8.53	Int. Util. (A)	41	41	41	41
19	7	.	...	Do. (B)	15	13½	13	12¾
43	33	.	...	Jam. Pub. Ser.	40	41	41	41
110	108	7	6.36	Do. pref.	110	..	..	..
11	4	.	...	Kelvinator	5	..	..	..
[illegible]								

Unlisted Canadian Securities

(Furnished by A. J. Pattison, Jr. & Co. Ltd.)

August 5, 1930

Industrial Stocks	Bid	Ask
Allens Beach pfd.	50.00	....
Allens King. pfd.	50.00	....
Allens London pfd.	51.25	....
Border Cities Hotel pfd.	....	17.00
Brand. Hend. c.	29.00	....
Brand. Hend. p.	87.00	91.00
B.C. Packers pfd.	57.00	59.50
B.C. Pulp & Paper pfd.	66.00	71.00
Burns Pfd. Bonus 25% com.	....	76.00
Canada Biscuit pfd.	26.50	....
Can. Crushed Stone, pfd.	65.00	....
Can. Mach. com.	6.00	....
Can. Mach. pfd.	27.00	35.00
Can. Packers com.	31.00	....
Can. Pack. 7% pfd.	100.00	102.00
Can. Wire & Cable pfd. W.W.	101.00	105.00
Can. Indus. c. "A"	140.00	160.00
Can. Indus. c. "B"	140.00	160.00
Can. Indus. pfd.	114.00	122.00
Can. Invest. com.	13.00	17.00
Can. West. Nat. LH & P. pfd.	92.00	97.00
Can. Westinghouse	85.00	91.00
Chase, A. W., pfd.	48.50	53.00
Chase, A. W., com.	.40	....
Clifton Co. Ltd.	120.00	145.00
Copeland Flour pf.	14.00	....
Dom. Alloy pfd.	1.00	2.00
Dom. Alloy com.	....	.25
Dom. Mfg. pfd.	75.25	....
Dom. Mfg. com.	7.25	....
Dom. Sugar com.	18.00	22.50
Dom. Woollens c.	....	7.00
Dunlop Tire 7% pf.	101.00	....
Durant Acceptance	13.00	15.50
Eastern Car pfd.	....	77.00
Gen. Steel Wares 7% pfd.	....	81.00
Goderich Elevator	15.00	18.00
Greening Wire 7% pfd.	99.50	102.00
Guardian Realty pf.	55.00	....
Harding Carp. c.	....	7.00
Harding Carp. pfd.	....	67.00
Inter-City Baking c.	70.00	....
Inter. Proprie. "A"	31.50	35.00
King. Edward Htl. "A" 8%	49.00	53.00
King Edward Htl. "B" 8%	41.00	....
Kings. Ship. Bldg. pfd.	15.00	20.00
Kings. Ship. Bldg. com.	6.50	9.00
Lake St. John c.	....	10.00
Loew's London c.	....	2.00
Loew's London pfd.	....	5.00
Mansfield com.	....	60.00
Mansfield pfd.	....	75.00
Massey Harris pfd.	76.00	....
Milton Brick pfd.	21.00	27.00
Nat. Grocers com.	1.50	....
Nat. Grocers 2nd pfd.	39.00	....
N.B. Pr. 1st pfd.	57.00	....
N. Ont. Power pf.	84.00	....
N.S. Power pfd.	90.00	....
Para. Kitchener pf.	31.00	....
Para. Oshawa pfd.	42.00	....
Provincial Paper pf.	91.00	95.00
Rogers Majestic	18.50	18.00
Stand. Clay Prod. c.	32.00	....
Supertest "B" pfd.	14.00	18.00
Standard Fuel pfd. bonus	84.00	....
Toronto Ball Club	....	60.00
Toronto Brick pfd.	69.00	....
Toronto Carpet pf.	100.50	....

	Bid	Ask
Toronto Carpet c.	116.00	....
Willards Choc. pf.	67.50	72.50
Willards Choc. c.	6.25	....
Trust & Loan Stocks		
Br. Mtge. & Trust	214.00	235.00
Capital Trust	71.50	....
Chartered Trust & Ex.	102.50	108.00
Commercial Fin. c.	10.00	....
Commercial Fin. pf.	62.00	....
Deb. & Sec. pfd.	67.00	....
Deb. & Sec. com.	90.00	105.00
Guelph Inv. par $50	61.00	68.00
Lambton Loan & Savings	77.50	....
London & West. Trust	170.00	200.00
Midland L. & S.	18.00	23.00
Mtge. Disc. pfd.	4.75	5.35
Mortgage Disc. pf.	.40	....
Mutual Finance c.	5.25	8.00
Mutual Finance pfd.	5.25	8.00
Peoples Loan & Sav	86.25	....
Premier Trust	85.25	....
Security L. & S.	114.00	....
Sherbrooke Trust	117.00	....
Sterling Trust	86.00	....
Trusts & Guarantee	92.00	96.00
Waterloo Tr. & Sav.	125.00	....
Insurance Stocks		
Br. American Assce.	62.00	....
Can. Fire Ins.	85.00	95.00
Canada Life	700.00	....
Can. Nat. Fire	27.00	32.00
Capital Life	....	28.00
Confed. Life 20% pd.	300.00	....
Cont. Life 20% pd.	77.00	....
Crown Life %	375.00	425.00
Dominion Life	118.00	130.00
Dom. Can. Gen. Ins.	250.00	300.00
Dom. Life 50% pd.	390.00	....
Excelsior Life 30% pd.	115.00	130.00
Fed. Fire 25% pd.	40.00	....
Fidelity Ins. of Can.	128.00	160.00
Great West Life	600.00	690.00
Guar. Co. of N.A.	250.00	....
Halifax Fire	20.00	25.00
Imperial Life	400.00	450.00
Mfg. Life	370.00	415.00
Merchants Cas.	....	25.00
Monarch Life 10% pd.	38.50	42.50
Nat. Life 25% pd.	100.00	114.00
N. American Life	....	95.00
Sask. Life	20.00	....
Sovereign Life	44.00	52.00
Sun Life	2100.00	2300.00
Toronto Casualty	6.00	....
Western Assurance	52.00	56.00
Western Life	15.00	....

Recent London Quotations

Brewer Distillers	4s. 9d.
Brit. Can. & Gen. Inv.	22½
Br. Contr. Oilfields	3s.
Can. & For. Sec.	16s. 3d.
Can. West. Lumber	4s.
Hudson's Bay	62s. 6d.
Do., 5% pfd.	100
International Holding	5¼
Wall Paper Mfg.	30s. 4½d.
Pref. 5%	17s. 10½d.

The Canadian General Securities furnish the following quotations:

	Bid	Ask
Can. Gen. Inv. Trust	82	86
Traders Fin. "A" pfd.	96	100
Traders Finance "B"	97	101
Traders Finance, com.	21	30

Listed Bond Quotations

Week Ending August 4

Montreal	Int. Rate	Due	Latest Yield	Ask	High	Low	Range, 1930 High	Low
Abitibi, 1st Mtge.	5	1953	6.17	86⅝	85¾	85¾	88½	83
Asbestos	5	1942	4.45	105	...	...	105	99½
Asbestos, 1st mtge.	6	1941	...	62	...	...	81	50
Do., gen. mtge.	6	1956	...	*25	...	...	41	25
Calgary Power	5	1940	...	†103	...	...	x97	94
Can. Cons. Rub.	6	1946	5.63	104	102¾	102¾	102⅜	102⅛
Can. Cottons	5	1940	...	†94	...	...	x98	94
Can. Forgings	6	1942	...	*83½	...	...	...	...
Can. Locomotive	6	1951	6.84	*96	...	...	96	96
Can. Pr. (Laur. ser.)	5½	1958	9.13	64	64	63	75½	63
Do., Way. ser.)	5½	1958	9.13	64	63¾	63	74½	63
Can. S.S. deb.	5	1943	5.65	*98	...	...	98¼	94
Cedar Rapids	5	1953	4.96	†100¼	...	...	100⅛	99⅜
Dom. Canners	6	1940	...	†102½	...	...	x104	...
Dom. Coal	5	1940	5.35	†97	...	...	97¼	95⅛
McNish	6	1948	...	3.50	...	...	3.55	2.99
Mex. Elec.	5	1942	...	†74	...	...	x74	...
Mex. L. & P.	5	1940	...	†75½	...	...	x75¾	71½
Mont. L. H. & Pr.	4½	1932	5.03	†98⅞	...	...	98⅞	98⅝
Mont. Tr. 1st mtge.	5	1941	5.36	100	99¾	94	100	94
Mont. Tr. "A"	5	1955	5.59	95¼	94	94	96½	91
Mont. Tr. G.&R. 'B'	5	1955	5.46	95¼	...	...	96	91½
Do., "C"	4½	1955	5.42	86¾	...	...	89	85½
Do., "D"	5	1955	5.25	95¼	...	...	96½	94
N. S. Steel	5	1959	7.45	*71	...	...	71	69¾
Ogilvie Flour "A"	6	1932	6.00	†100¼	...	...	100	...
Do., "B"	6	1932	6.00	†100¼	...	...	101	100
Do., "C"	6	1932	4.41	†100¼	...	...	103	100
Ont. Steel	6	1943	...	†105	...	...	x106	104
Porto R. Rly.	5	1936	...	†83	...	...	82	...
Steel of Can.	6	1940	5.22	108¼	...	...	108	105
Wabasso	6	1947	...	97¼	...	...	x101	...
Wayagamack	6	1951	6.46	*94⅜	...	...	98	94½
West. K. Power	6	1940	...	*104¼	...	6.	x106	104⅞
Wpg. Elec.	5	1935	...	†97	...	...	x94⅝	93
Toronto								
Canada Bread	6	1941	5.87	...	...	...	103¼	101
Can. Canners	6	1950	...	...	...	...	x102¼	100
Dom. Canners	6	1940	...	...	...	...	...	...
Porto R. Rly.	5	1936	...	...	...	...	...	...
Postal Tel.	5	1953	...	*94½	...	...	95	88¾
Steel of Can.	6	1940	...	...	...	...	x93	...

* Latest sale.
† Latest bid.
x Quotations for 1929. None recorded in 1930 to date.

Dominion Govt. Bonds (Montreal)

	Int. Rate	Due	Yield	Ask	High	Low	High	Low
War Loan	5	1931	4.62	100.80	100.45	100.45	100.50	99.70
Do.	5	1937	4.33	104.85	104.00	103.85	104.10	100.90
Victory Loan	5½	1933	4.63	102.55	102.35	102.10	102.75	101.60
Do.	5½	1934	4.82	102.70	102.40	102.40	102.40	101.05
Do.	5½	1937	4.12	107.85	107.25	107.00	107.30	103.90
Do., refund	4½	1940	4.75	98.50	97.80	97.80	101.55	95.10
Do., refund	5	1943	4.79	102.85	102.05	102.05	102.50	100.35
Do., refund	4½	1944	...	98.60	....	....	98.25	95.30
Do., refund	4½	1946	4.72	98.60	97.50	97.50	98.25	96.10
Do., renewal	5½	1932	4.62	101.25	102.15	101.15	101.95	100.75

Winnipeg Stock Exchange

(Transactions for week to July 28 in stock not traded in elsewhere)

Div. Rate in $	Yield		Close July 21 (or last)	High for wk.	Low for wk.	Close July
$2.50	5.32	Northern Trust	47	47	47	47

Inactive Stocks
July 28

	Bid	Ask
Beaver Fire	..	120
Beaver Lumber c.	..	19
Do., pref.	..	105
Can. Fire Ins.	..	95
Can. Indemnity	125	...
Gt. West Life	..	700
Home Investment	..	73
Monarch Life	35	..
North. Can. Mtg.	..	25
North. Mtge. part pd.	18	..
Northern Trust	..	47
Sovereign Life	..	48
Traders Bldg.	..	100
Un. Grain Growers	16	18
West. Breweries	5	6

Montreal, Toronto and Curb Stocks

High	Low	Divd.	Yield		Close	High	Low	Close
25	17	1.40	7.77	West. C. Flour	18	18	18	18
104	100	6.50	6.37	Do. pref.	102	102	101½	102
23	17½	.	...	West. Grocers	17½	18	17½	17½
68	58	7	12.06	Do. pref.	58	..	..	..
41	25	50c	...	West. St. Prod.	28	29¾	29¾	29¾
96½	90	6.50	6.91	Do. pref.	94	..	..	..
9	9	.	...	Whittall Can.	9	..	..	..
9¾	7½	.	...	Wm. Alloy Prod.	7½	..	..	..
25	18	.	...	Windsor Hotel	18	18	18	18
82½	79	6.50	8.22	Do. pref.	79	..	..	..
54	38	2	5.19	Winnipeg Elec.	40¼	39	38¼	38¼
103	98¼	7	7.00	Do. pref.	100	102	100	100
x30	30	.	...	Woods Mfg.	30	..	..	..
74	74	7	9.45	Do. pref.	74	..	..	..
85	81	7	8.64	Wood, A&J. 1pf.	81	..	..	..
2½	1½	.	...	Zimmerknit	1¾	1¾	1¾	1¾
25	4	.	...	Do. pref.	16	11	11	11

x Quotation for 1929. No sales recorded in 1930 to date.
† $1 each for 1928 and 1929 and 50c interim. a. Stock dividend
b. New York quotations.

Flood, Barnes Active Bond Prices

Aug. 5, 1930

	Price	Next Interest Date	Yield
Abitibi Power & Paper 5/53	86	Dec. 1	6.15
Alberta Pacific Grain 6% 1946	97½	Dec. 1	6.25
Algoma Steel Corpn. 5/62	73	Oct. 1	7.15
Argentine Govt. 6/58 Series B	99½	Dec. 1	6.05
Bell Tel. of Canada 1st 5/57	103½	Dec. 1	4.78
British American Oil 6% 1945	102	Sept. 1	[illegible]
Brazil, U.S. Ext. S.F. 6½/57	76	Oct. 1	[illegible]
Calgary Power Co. 5% 1960	94	Oct. 1	[illegible]
Can. Biscuit Co. Ltd. 6½/46	86	Nov. 1	[illegible]
Can. Cement Co. 1st Mtge. S.F. 5½/47	101	Nov. 1	5.45
Can. North. Power 5% 1953	93½	Nov. 1	5.50
Canada Power & P. 5½/58	63½	Jan. 1	9.25
Can. Light & Power 1st S.F. 5/49	95	Jan. 1	5.42
Can. S.S. Lines 6/41 1st & Gen.	93	Aug. 18	6.90
C. P. Ry. Coll. Trust 5/34	101	Oct. 5	4.80
C. P. Rly. Secured 4½/44 Notes	97½	Oct. 5	4.75
Can. Goodrich Income 7/48	65	......	...
Chile Republic Ext. S.F. 6/60	91	Oct. 1	6.70
Colombia Repub. Ext. S.F. 6/61	75	Oct. 1	[illegible]
Dom. Iron & Steel Consol. S.F. 5/39	98	......	...
Dom. Square Corp. 6/48	96	Oct. 1	6.37
Dominion Tar & Chemical Debs. 6/49	100	Jan. 2	6.00
Donnacona Paper Co. 1st S.F. 5½/48	92	Aug. 1	6.25
Donnacona Paper Co. Debs. 6/48	91	Aug. 1	6.90
Duke Price Power 1st 6/66	106	Nov. 1	[illegible]
Eastern Dairies Convertible 6/49	102	Nov. 1	[illegible]
Foreign Power Securities 6% 1949	101	Dec. 1	5.95
Fraser Companies 1st 6/50	93	Jan. 2	6.62
Fraser Companies Convertible Notes 6/32	85	Jan. 2	...
Fraser Co's. 6½/42 Debs. Cum. Warrants	85	Oct. 1	[illegible]
French Nat. Mail Ex. S.F. 6/52	103	Nov. 1	[illegible]
General Steel Wares 1st S.F. 6/52	100	Nov. 1	6.00
Gatineau Power 1st S.F. 5/56	96	Dec. 1	[illegible]
Gatineau Power S.F. Debs. 6/41	99½	Oct.	6.05
Great Lakes Co. 6% 1950	85½	Sept.	7.43
Howard Smith P.M. 5½/53	92½	Dec. 1	6.10
Manitoba Power 1st S.F. 5½/51	101	Jan. 1	5.40
Lake St. John Paper Co. 6½/47	99	Aug. 1	[illegible]
Massey-Harris Co. 1st Mtge. 5/47	95	Oct. 15	5.45
Montreal, City of, 5/58	102½	Oct. 1	[illegible]
Montreal Island Power 5½/57	98½	Nov. 1	[illegible]
Montreal Coke 1st S.F. 5½/47	100	Dec. 1	[illegible]
Montreal Power Cons. 5/70	102	Sept. 1	[illegible]
Montreal Tram. 1st Coll. Trust 5/41	100	Jan. 1	5.00
Montreal Tram. Gen. Ref. 4½/55	90	Oct. 1	[illegible]
Montreal Tram. Gen. 5/55	95½	Oct. 1	[illegible]
Nova Scotia Steel & Coal 1st 5/59	74	......	...
Nova Scotia Steel & Coal 6 deb.	46	......	...
Northwestern Power Co. 6/1960	101½	Jan. 2	[illegible]
Northwestern Utilities 1st 7/38	103	Dec. 1	[illegible]
Ontario, Province of 5/59	103	Nov. 1	4.57
Peru, Republic of, 6% 1960	72	Dec. 1	[illegible]
Port Alfred P. & P. 1st 5/57	88	Nov. 1	[illegible]
Price Bros. 1st S.F. Series A 6/45	104	Aug.	[illegible]
Quebec Power 1st Mtge. Coll. S.F. 5/68	100½	Dec. 1	[illegible]
Rio de Janeiro Trams. 5/35	96	Jan. 1	[illegible]
Shawinigan W. & P. 4½/68	96½	Dec. 1	4.74
Simpson's 6/49	101¾	Jan. 2	[illegible]
Sou. Canada Power 1st 5/55	100½	Oct. 1	[illegible]
United Grain Growers 1st Mtge. 5/48	90	Jan. 5	[illegible]
United Securities Coll. Trust 5½/52	100	Nov. 1	5.50
Wayagamack P. & P. 1st S.F. 6/51	98	Jan. 1	[illegible]
Winnipeg Electric Ref. 6/54	101½	Oct. 1	[illegible]

Active Provincial and Municipal Bonds

(Furnished by H. R. Bain & Co., Ltd.)
350 Bay Street, Toronto, Ont.

Provinces	Rate	Actual Mat.	Next Int. Date	Ask	Approx. Yield
Alberta	4½	1 Oct. 1958	1 Oct.	$96.12	[illegible]
Alberta	5	1 Jul. 1943	1 Jan.	101.48	[illegible]
Alberta	6	1 Apr. 1936	1 Oct.	105.39	[illegible]
British Col.	4½	1 Oct. 1953	1 Oct.	95.80	[illegible]
British Col.	5	15 Jan. 1948	15 Jan.	101.82	[illegible]
British Col.	6	15 Aug. 1941	15 Aug.	108.82	[illegible]
Manitoba	4	1 Jul. 1947	1 Jan.	90.23	[illegible]
Manitoba	5	2 Jun. 1959	2 Dec.	103.11	[illegible]
Manitoba	5	15 Jun. 1943	15 Dec.	100.48	[illegible]
N. B.	4½	1 Jun. 1948	1 Dec.	96.41	[illegible]
N. B.	4⅝	15 Jun. 1936	15 Dec.	99.74	[illegible]
N. B.	6	1 Jan. 1936	1 Jan.	105.00	[illegible]
Nova Scotia	4½	15 Nov. 1948	15 Nov.	96.35	[illegible]
Nova Scotia	5	1 May 1943	1 Nov.	101.51	[illegible]
Nova Scotia	6	1 Nov. 1936	1 Nov.	105.78	[illegible]
Ontario	4½	1 Sep. 1944	1 Sept.	97.91	4.70
Ontario	5	15 Oct. 1948	15 Oct.	102.95	4.75
Ontario	6	2 May 1936	2 Nov.	105.39	[illegible]
P. E. I.	4	1 Apr. 1939	1 Oct.	93.86	[illegible]
P. E. I.	4½	1 Oct. 1944	1 Oct.	96.39	[illegible]
Quebec	4½	1 Jun. 1946	1 Dec.	97.77	4.70
Quebec	5	1 Mar. 1964	1 Sept.	105.05	4.70
Saskatchewan	4½	1 Oct. 1944	1 Oct.	96.39	[illegible]
Saskatchewan	5	1 Oct. 1950	1 Oct.	101.93	[illegible]
Saskatchewan	6	1 Feb. 1936	1 Aug.	104.76	5.00
Cities					
Montreal	5	1 Sep. 1963	1 Sept.	101.63	[illegible]
Toronto	4½	1 Sep. 1954	1 Sept.	95.75	[illegible]
Vancouver	4	1 Aug. 1946	1 Aug.	90.10	[illegible]
Winnipeg	5	1 Mar. 1944	1 Sept.	100.50	[illegible]
Windsor	5	1 Dec. 1937	1 Dec.	100.00	5.00
Edmonton	5½	1 May 1945	1 Nov.	104.69	[illegible]
Calgary	5	1 Jan. 1948	1 Jan.	99.08	5.10
Halifax	5	1 Jul. 1951	1 Jan.	100.65	[illegible]
St. John	5	15 Dec. 1950	1 Dec.	100.64	[illegible]
Regina	4½	1 Jul. 1950	1 Jan.	93.13	[illegible]
Victoria	5	21 Jul. 1945	21 Jan.	100.53	[illegible]

Dividends Declared

	Annual Rate	Div. Declared	Date	Record
Agnew Surpass, pref.	7%	1¾%	Oct. 1	Sept. 15
Bank of Montreal	12+2%	3%	Sept. 2	July 31
Bank of Toronto	12+1%	3%	Sept. 2	Aug. 15
Belding Corticelli pfd.	7%	1¾%	Sept. 15	Aug. 30
Brazilian Tr., com.	$2	50c	Sept. 2	July 31
Bk. Can. Nationale	10%	2½%	Sept. 1	Aug. 15
Canada Vinegars	$1.60	40c.	Sept. 1	Aug. 15
Canadian Car, pfd.	$1.75	43c.	Oct. 10	Sept. 25
Can. Hydro, pref.	6%	1½%	Sept. 1	Aug. 1
Canada Nor. Power, pfd.	7%	1¾%	Oct. 15	Sept. 30
Canadian Oil, com.	$1	25c.	Aug. 15	Aug. 1
Do., pref.	8%	2%	Oct. 1	Sept. 20
Canadian Car, com.	$1.75	43c	Aug. 30	Aug. 15
Canada Nor. Power, com.	60c.	15c.	Oct. 25	Sept. 30
Can. Converters	5%	1¼%	Aug. 15	July 31
Can. Pr. & Paper Invest. pfd.	5%	1¼%	Aug. 15	July 19
Can. Bank of Commerce	12+1%	3%	Sept. 2	July 31
Cons. Sand & Gravel, pfd.	$7	$1.75	Aug. 15	July 31
Cosmos Imperial, pfd.	7%	1¾%	Aug. 15	July 31
Chase, A. W., pfd.	8%	2%	Aug. 10	July 31
Distill.-Seagrams	$1	25c.	Aug. 15	July 31
Dom. Bridge	$3.60	90c	Aug. 15	July 31
East Kootenay Pr., pref.	7%	1¾%	Sept. 15	Aug. 30
Eastern Theatres, com.	$2	50c	Sept. 1	July 31
Foreign Pr. Secs., pref.	6%	1½%	Aug. 15	July 31
Foundation Co.	$1	25c	Aug. 15	July 31
Hollinger Cons. Mines	65c.	1%	Aug. 12	July 29
Howard Smith Pap. pfd.	6%	1½%	Sept. 2	Aug. 21
Inter. Power & Paper "A"	$2.40	60c	Aug. 15	Aug. 1
Inter. Paper, com.	$2.40	60c	Aug. 15	Aug. 1
Kelvinator, pref.	7%	1¾%	Aug. 15	Aug. 5
Lindsay, C. W., com.	$1	25c.	Septt 1	Aug. 15
Do., pref.	6½%	1⅝%	Sept. 1	Aug. 15
Lake of Woods Mill., com.	$3.20	80c	Sept. 1	Aug. 15
Do., pref.	7%	1¾%	Sept. 1	Aug. 16
London Can. Invest., pref.	5%	1¼%	Sept. 1	Aug. 15
Loblaw Grocet., "A" & "B"	80c	20c	Sept. 2	Aug. 12
Langley, pref.	7%	1¾%	Aug. 15	Aug. 1
McIntyre Porc. Mines	20%	5%	Sept. 2	Aug. 1
Montreal Loan	12%	3%	Sept. 15	Aug. 31
McColl Frontenac Oil, com.	60c	15c	Sept. 15	Aug. 15
Northern Ont. Power, pfd.	6%	1½%	Oct. 25	Seept. 30
Do., com.	$2	50c.	Oct. 25	Sept. 30
Ontario Steel, com.	$1.20	40c.	Aug. 15	July 31
Do., pref.	7%	1¾%	Aug. 15	July 31
Power Corp., 1st pref.	6%	1½%	Oct. 15	Sept. 30
Do., 2nd pref.	$3	75c.	Oct. 15	Sept. 30
Penmans, com.	$4	$1	Aug. 15	Aug. 5
Royal Bank	12+2%	3%	Sept. 2	July 31
Southern Can. Pr., pfd.	6%	1½%	Oct. 15	Sept. 20
Southern Can. Pr., com.	$1	25c	Aug. 15	July 31
Stand. Paving & Mat., com.	$2	50c	Aug. 15	July 31
Do., pref.	$7	$1.75	Aug. 15	July 31
Union Natural Gas	...	35c+5c	Sept. 10	July 15
United Oils	...	5c	......	Sept. 1

Winnipeg Grain Prices

Week to August 5

High Crop Year	Low Crop Year		Open July 30	High for week	Low for week	Close Aug. 5
		Wheat				
1.55	.87⅝	July	.91¾	.91¾	.87⅝	†.90⅝
1.44¼	.89¾	October	.94	.97⅞	.89¾	.97½
1.18⅞	.90⅝	December	.95⅝	.99⅞	.90⅝	.99½
1.05¼	.97⅞	May	*.99¼	1.05¼	.97⅞	1.05⅛
		Oats				
.71⅜	.40¼	July	.41⅜	.42	.40¼	†.40¼
.60½	.40	October	.42¼	.45¼	.40	.44⅞
.48¾	.39	December	.41⅜	.44⅛	.39	.43⅜
.48	.46¼	May	*.45½	.48	.46¼	.46⅜
		Barley				
.76	.35⅝	July	.38⅝	.39¾	.37⅝	†.37¾
.60	.39	October	.42	.45¼	.40½	.43⅞
.52	.41½	December	.44¼	.47⅝	.42½	.45¼
		Flax				
2.91	1.69	July	1.87	1.89	1.70½	†1.70½
2.35	1.62¾	October	1.69	1.77	1.65	1.71
1.82½	1.62¾	December	1.68	1.76	1.66	1.70½
		Rye				
1.04⅝	.44½	July	.53	.53½	.51½	†.53¼
.84	.48¾	October	.56½	.60⅞	.53⅜	.58⅜
.71	.52	December	.59	.63⅝	.56	.61½
.69	.62¼	May	‡.67¾	.69	.67¼	.67¾
.69	.67¼	May	‡.67¾	.69	.67¼	.67¾

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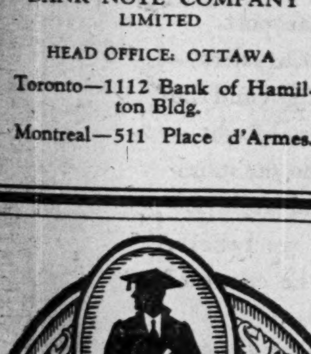

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From Edmonton to Arctic Prospecting Parties Work

Trained Searchers Have Found Prospects Which Would Be Good Near Railway But Not Enough to Warrant Line as Yet

On a line from Edmonton to Fort Hearne on the Arctic ocean small bands of trained men are looking for mines. Aeroplanes keep communications open for these prospecting and development parties and it is possible to get to the Arctic ocean from Edmonton more quickly than from Winnipeg to Edmonton by train. On Great Slave Lake and Great Bear Lake, and in the coppermine river region, prospects have been found which would have warranted considerable interest if they had been close to transportation. But so far no prospect has been found sufficiently large in itself to warrant the Canadian Pacific Railway or Canadian National Railway pushing its line northward to the ocean.

Northern Lead is Good Prospect

Though no one prospect is yet large enough to make a railroad towards the Arctic probable, it may be that a variety of factors will make such a project economically feasible. For instance, in the Peace River district there is much talk of the railroad being pushed north to Fort Vermilion on the Peace river. If that were done, it would leave less than 200 miles to arrive at that point on Great Slave Lake, 13 miles southwest of Dawson Landing, where the Northern Lead-Zince Co. prospect is being opened up. This prospect, which is owned by Consolidated Mining & Smelting Corp., Ventures, Atlas, and Paine & Webber, with the latter group dominant, is regarded by many as the most promising prospect in the northwest territories at the moment. There are 20 at present on the property, including cook, office staff and field men, and work proceeded on the property all through last winter. A churn drill is being used to outline the ore deposits.

Further north, as the aeroplane flies, another 450 miles on Hunter's Bay, Great Bear Lake, Consolidated Smelters, Dominion Explorers and Eldorado Gold Mines have copper prospects which operate under the disadvantage of being 850 miles from the end of steel. In the Coppermine district to the north and east little of interest has been found as yet, but the rock formations are regarded as being promising. Just to the west of the Coppermine river, Consolidated Smelters is making a centre for prospecting operations over a radius of 50 miles from the Dismal Lakes.

Should Have Dominion Survey

One of the great needs of the north is that the Dominion government should send geological survey parties to the regions thus being opened up by enterprising explorers for minerals. It would be a great aid to the parties which are at present at work and they might open up possibilities in new areas. The possibility and the hope of finding some gigantic property, whose wealth would justify a railway, are at the back of the minds of most of those prospecting in this territory.

In this region and around the coast of Hudson's Bay this hope is spurring on a number of prospecting parties. The price of base metals is operating against the enthusiasm of a few years ago for the finding of new base-metal prospects, but the possibility of finding a new gold district such as the Porcupine or Kirkland Lake districts, act as a spur to endeavor. The likelihood of gold discoveries on Hudson's Bay appears to be greater than at Great Slave Lake, Great Bear Lake or the Coppermine river.

General Motors Promotion

ARCH. H. HALL,
who has been appointed general purchasing agent of General Motors of Canada, Limited, with headquarters at Oshawa. Mr. Hall was trained as an engineer and after considerable engineering experience joined General Motors twelve years ago.

Honey Dew Increases Sales and Profits

Ross H. Lindsay, president Honey Dew, in a letter to shareholders states that the company has shown steady improvement in sales and profits during the first six months of 1930 in spite of unfavorable general conditions.

"The summer stands recently established at Orillia, Cooksville, Oakville, Burlington, Woodstock and other places, have shown a turnover beyond our expectations," says Mr. Lindsay. "Next year and thereafter we can by this means profitably reach the smaller centres throughout the country with a comparatively small investment."

It is understood that sales for the six months of 1930 approached $700,000.

Taylor Instrument Forms New Canadian Subsidiary

On August 1 the Taylor Instrument Companies of Canada, took over the plant of the Taylor Instrument Companies of Rochester, N.Y. in Toronto. This is being done so that Canada may have a representative Canadian industry for the production and sale of the highest class temperature, pressure and meteorological instruments.

The new company will handle and manufacture a line consisting of scientific and industrial instruments, ranging in price from 15c. to $1,500 each, and covering a temperature range from 200 degrees below zero to 4,500 degrees above.

During recent years, A. H. Allen has been the directing manager and he will now become managing director. Associated with him will be H. W. Payne, who has had over twenty years experience in the manufacture of delicate instruments. He will have charge of manufacture and repair work. H. R. Smith will be the secretary of the new company, which will be capitalized at $1,000,000.

Montreal Revenues Higher

Revenues collected by the city of Montreal during the six months of the current year, at $5,509,186, showed an increase of $1,065,806 over the corresponding half year of 1929.

Industries for Winnipeg

The Winnipeg Industrial Development Bureau reports the establishment of three new industries in Winnipeg for the manufacture of roofing paper, chesterfields and stained shingles.

Canadian Quotations--Cont'd

Foreign Exchange

NEW YORK FUNDS

	High (Discount)	Low (Discount)	Last Year High (Premium)	Last Year Low (Premium)
July 30	9-64	5-32	1-4	1-4
July 31	9-64	5-32	1-4	1-4
August 1	9-64	9-64	1-4	1-4
August 2	5-32	5-32	15-64	7-32
August 3	....	....	1-4	1-4
August 4	....	....	....	....
August 5	5-32	5-32	....	....

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
July 30	4.86 25-32	3.93 7-16	5.23 13-16
July 31	4.87	3.93 7-16	5.23 3-4
August 1	4.87 1-16	3.93 7-16	5.23 3-4
August 2	4.87 1-16	3.93 7-16	5.23 13-16
August 4	4.87	3.93 3-8	5.58 7-8
August 5	4.87 1-16	3.93 3-8	5.23 7-8

FOREIGN EXCHANGE

Par		July 22	July 29	Aug. 5
5.263	Italian	5.23¾	5.23¾	5.23⅞
23.80	German	23.85	23.86	23.90
13.96	Belgian	13.95½	13.96½	13.99
13.96	Japanese	49.37	49.31	49.37

Mining Stock Quotations

Week Ending August 4

Par	Range	1930	Company	Close July 28 (or last)	High for week	Low for week	Close Aug. 4
$1	1.42	.39	Abana	.40	.45	.40½	.42
1	.09	.02	Aconda	.02	....	....	....
None	.50	.32	Aladdin	.33	....	....	....
None	.50	.01½	Aldermac	.03	....	....	....
1	.19	.02	Amity C.	.03	.02½	.02	.02½
None	1.95	.35	Amulet	.50	.54	.49	.54
1	.02½	.02½	Ankerite	.02½	....	....	....
1	.01	.00¼	Apex	.01	....	....	....
1	.10	.05	Area	.05	....	....	....
1	.02	.00¼	Argo. Con	.00½	....	....	....
1	.30	.05	Arno	.06	.06	.05	.05
1	.01	.00½	Atlas	.00½	....	....	....
1	.03½	.01½	Baldwin	.02	....	....	....
1	.25	.12	Barry Holl.	.17½	.17¼	.16	.16
None	4.45	2.00	Base Metals	2.50	2.95	2.60	2.65
None	.05	.01½	Bathurst	.01¼	....	....	....
5	6.10	3.25	B'Wana	3.25	....	....	....
1	.32	.12	Bedford	.12	....	....	....
1	.11	.02	Bidgood	.04	.04½	.04	.04½
1	1.04	.36	Big Missouri	.62	.63	.58	.60
1	.11	.00¾	Bobjo	.06½	.06	.06	.06
None	.01½	.00½	Boischatel	.00½	.01	.00¾	.00¾
1	.02¾	.00½	Buckingham	.01	....	....	....
None	.10	.01¼	Bunker Hill	.08½	.09	.08¼	.08½
None	.14	.05	Cal. Flin Flon	.05½	....	....	....
None	.65	.15	Canam Metals	.16	.15	.15	.15
1	.08	.00½	Can. Kirk	.04	....	....	....
1	.06	.02	Can. Lorraine	.02	....	....	....
1	.28	.15	Castle Tre.	.16	.16	.16	.16
1	.29	.08	Cen. Man.	.09	.10	.10	.10
1	.30	.16	Cen. Patricia	.20	.22	.21	.21
1	.07½	.05½	Chaput H.	.05	....	....	....
None	1.05	.10	Chib. Pros.	.10	....	....	....
None	.07	.00¾	Clericy	.04	.03¼	.03	.03
5	24.00	7.00	Coast Copper	9.00	8.50	8.35	8.35
1	.42	.04½	Cobalt Con.	.04½	.06½	.05	.06
1	.01	.00⅛	Col. Kirk	.00½	....	....	....
1	1.17	.32	Columario	.40	.40	.35	.35
5	1.40	.80	Coniagas	.80	.80½	.80½	.80½
5	.60	.15	Coniaurum	.25	....	....	....
25	265.00	175.00	Cons. Smelters	199.00	200.00	197.00	197.00
1	.02	.01	Corona	.01½	....	....	....
1	.02	.00½	Crown Res.	.01	.01½	.01½	.01½
None	.39½	.10	Dom. Explor.	.15	.15	.10	.10
None	9.30	7.00	Dome Mines	7.85	7.90	7.75	7.85
1	.01¼	.00¼	Dom. Kirk	.01	....	....	....
1	.01	.01	Don. Rouyn	.01	....	....	....
1	.05	.00¼	Dunkin	.01¼	.01½	.01	.01
x1	.70	.20	Duthie	....	....	....	....
1	.04	.01	Duprat	.03	....	....	....
None	.04	.03	Engineers Hold	.03	....	....	....
None	6.50	1.80	Falconbridge	2.10	2.45	2.20	2.45
1	.02	.00½	Federal Kirk	.01	....	....	....
	.05½	.00½	Flintoba	.00½	....	....	....
None	.24½	.14	Gem Lake	.14	....	....	....
1	4.50	1.05	George Cop.	1.25	....	....	....
None	.07	.01	Gilbec	.01½	....	....	....
1	1.90	.55	Golconda	.80	....	....	....
1	.04½	.02½	Goldale	.03	.03½	.03½	.03½
	.53	.25	Goldfield	.30	.35	.30	.35
1	.02	.00¼	Gold Hill	.00¾	.00¾	.00¾	.00¾
1	.10	.02½	Goodfish	.03	.03½	.03	.03½
1	.03½	.01	Graham	.01	....	....	....
50c.	.17½	.04	Grandview	.07	....	....	....
None	2.05	1.03	Granada	1.50	1.40	1.40	1.40
1	.01½	.00¼	Grover Daley	.00¼	....	....	....
1	.10	.01¼	Grozelle	.06	....	....	....
1	.03	.01	Harker	.01¾	.02	.02	.02
1	.18	.10½	Hayden	.10½	....	....	....
5	6.65	4.90	Hollinger	5.80	6.00	5.80	5.90
1	1.40	.37	Howey Gold	.38½	.40	.37	.38
None	14.65	7.00	Hudson Bay	8.10	8.50	8.00	8.40
1	.09	.00½	Indian	.00½	....	....	....
None	44.50	20.25	Int. Nickel	25.00	25.00	22.50	23.50
	.40	.16	Do., Rights	.31	.31	.16	.18
1	.03½	.01½	Jackson M.	.02½	.02½	.02¼	.02½
1	.40	.29	Keeley	.30	.30	.29	.29
1	.04	.01	Keora M	.01½	.02	.02	.02
1	.01¼	.00½	Kirk Hunt.	.01	....	....	....
1	.95	.50	Kirk Lake	.60	.56	.55	.55
1	.03½	.01	Kirk Prem.	.01½	....	....	....
20c.	.08	.02	Koot. Flor.	.02	.02	.02	.02
25c.	.58	.02½	Koot King	.02½	....	....	....
1	24.00	19.00	Lake Shore	22.25	22.50	22.15	22.15
1	.04	.00¾	Laval	.01	....	....	....
1	.13	.06	Macassa	.10½	....	....	....
1	.07	.01½	Malartic	.02	.02	.02	.02
None	.35	.10	Mandy	.12	.16	.12	.16
None	.17	.03½	Man. Basin	.04	.04	.03½	.03½
None	.30	.12	McDougall	.19	.12	.12	.12
1	.60	.30	McKinley	.33	....	....	....
5	19.80	15.00	McIntyre	18.05	18.00	17.50	17.50
1	.30	.14	McVittie	.25	....	....	....
5	3.60	1.00	Mining Corp.	1.29	1.30	1.10	1.20
1	.01½	.00½	Mint Ore	.00½	....	....	....
1	.04½	.02	Moffatt Hall	.02	....	....	....
1	.04	.02	Moneta	.03	.02½	.02½	.02½
1	.50	.10	Moss	.25	.25	.25	.25
1	.02⅞	.00½	Murphy	.02⅞	....	....	....
1	.26	.06	Newbec	.10	.13	.10	.13
1	.06½	.03	Night Hawk	.05	....	....	....
5	1.85	1.00	Nipissing	1.10	1.21	1.10	1.21
50c.	.40	.11	Noble Five	.12	....	....	....
None	44.25	19.50	Noranda	23.90	24.25	23.25	23.50
1	.46	.20	Nor. Canada	.22	.20	.20	.20
None	.07	.02	Old Colony	.02¼	....	....	....
50c.	.18	.07	Oregan Cop.	.07	....	....	....
1	1.36	.10	Oriole	.36	.35	.30	.30
1	.30	.10	Osisko	.14	.10½	.10½	.10½
	27.50	26.00	Pandora Units	27.50	....	....	....
None	.06	.02⅛	Patterson Cop.	.04	....	....	....
1	.03	.01¼	Pawnee Kirk.	.02	....	....	....
None	5.15	.95	Pend. Ore.	1.27	1.26	1.26	1.26
1	.19⅜	.06	P. L. Cobalt	.10¾	.10½	.06	.07½
1	.01	.00¼	Picard	.01	....	....	....
1	[illegible]	[illegible]	Pioneer	.11	.10½	.10½	.10½
[illegible]	[illegible]	[illegible]	Porter Idaho	[illegible]	....	....	....
50c.	.03½	.01	Potter Doal	.01½	....	....	....

Par	Range	1930	Company	Close July 28 (or last)	High for week	Low for week	Close Aug. 4
1	1.60	.80	Prem. Gold	.97	1.00	.98	1.00
1	.70	.13	Quemont	.25	.13	.13	13
None	1.78	.30	Reeves McD.	.55	....	....	....
1	.03	.00½	Ribago	.03	....	....	....
1	.10	.02	Ritchie	.05	.06½	.05	.05
1	.04	.00¼	R. Montbray	.02	....	....	....
25c.	.26	.10	Ruth Hope	.10	....	....	....
1	.08	.02	Salmo Mal.	.04	....	....	....
None	.35	.12	San Antonio	.21	.24	.21	.21
1	.53½	.40	Seven Troughs	.45	.45	.45	.45
1	3.50	1.25	Sherritt G	1.38	1.40	1.30	1.32
1	.75	.24	Siscoe	.25	.28	.25	.27
50c.	.26	.09½	Snowflake	.15	....	....	....
1	.02½	.01	So. Keora	.01	....	....	....
None	.07	.02	Stadacona	.03	.04	.04	.04
1	.29	.05	St. Anthony	.06¼	.06	.05¼	.05¼
	.25	.13	Stewart Abate	.13½	.13	.13	.13
None	5.35	1.40	Sud. Basin	1.45	1.50	1.45	1.50
1	.05	.01½	Sud. Contact	.02½	....	....	....
1	.01	.00½	Sudbury M.	.00½	....	....	....
None	.20	.10	Sudbury N.	.12	....	....	....
1	1.00	.60	Sunloch	.70	.74	.74	.74
1	1.02	.42	Sylvanite	.47	.50	.45	.47
1	.22	.09	Tashota	.10	....	....	....
1	7.30	4.70	Teck Hughes	6.50	6.60	6.45	6.55
1	.19	.05	Telluride	.12	....	....	....
1	.12	.02	Thom. Cad'c.	.02½	.03	.03	.03
1	.03	.02	Temiskaming	.03	....	....	....
50c.	.06	.02	Topley	.02	....	....	....
1	.05½	.00½	Tough Oakes	.01	.01¼	.01	.01
1	1.50	.28	Towagmac	.28	.35	.35	.35
None	7.50	3.50	Treadwell Y.	3.50	....	....	....
None	3.25	2.90	Tri-Metals	3.00	2.90	2.90	2.90
None	3.50	1.05	Ventures	1.05	1.08	1.05	1.05
1	.50	.45	Vickers	.45	....	....	....
1	1.42	.60	Vipond	1.22	1.24	1.20	1.24
None	5.65	1.40	Waite Ack.	2.85	2.95	2.90	2.95
	.09	.03	West Tree	.03	....	....	....
1	1.35	.35	White Lake	.55	.50	.40	.40
1	1.50	.06	Whitewater	.06	....	....	....
None	.04	.00¼	Windfall R.	.00½	....	....	....
None	2.30	1.35	Wright-Har.	1.84	1.84	1.80	1.80
			WESTERN OIL STOCKS				
1	.70	.05	Acme	.40	.46	.36	.44
1	2.10	2.00	Admiral	2.00	....	....	....
None	1.25	.25	Advance	.25	....	....	....
1	2.75	.60	Alta. Pac	.65	.70	.65	.65
None	2.00	.35	Associated	.45	.43	.35	.43
1	2.91	.80	Ajax	1.82	2.34	1.77	2.30
None	1.60	.13	Baltac	.17	.15	.13	.14
1	.74	.28	Brit. Dom.	.30	.31	.31	.31
1	.20	.09	Black Dia.	.17½	.09	.09	.09
1	4.25	.85	Calmont	.90	1.00	.90	1.00
None	3.90	.60	Calgary & Ed.	.75	.75	.68	.70
1	1.00	.17	Comm. Pete.	.20	.21	.20	.20
1	.50	.45	Dallas	.50	....	....	....
None	3.50	.80	Dalhousie	.95	.91	.85	.87
None	.30	.15	Devenish	.16	.15	.13	.13
None	.26	.05¼	Dome Oil	.05¼	....	....	....
None	1.85	.15	E. Crest	.25	.27	.13	.22
1	.08½	.04	Fabyan Pete.	.06	.04	.04	.04
None	2.50	.75	Foothills	1.00	....	....	....
None	1.00	.17	Freehold	.18	.18½	.18	.18½
1	.20	.04	Great West.	.04	....	....	....
None	1.40	.16½	Hargal	.19	.18	.16½	.18
None	.45	.25	Herron Pete.	.25	....	....	....
None	.26	.05½	High Sarcee	.06½	....	....	....
None	10.00	3.10	Home	3.51	3.50	3.10	3.10
None	.80	.15	Homestead	.17	.18	.17	.18
1	.55	.10	Ill. Alta	.11½	.11½	.10½	.10½
None	2.35	.75	Lowery	1.00	....	....	....
1	.20	.03½	Madison	.05	.04½	.04½	.04½
1	3.25	.50	Mayland	.52	.51	.50	.50
None	.33	.11	McD. S. Ex. of Can.	.15	.15	.13½	.14
1	1.10	.38½	McD. S. N.	.47	.47	.46	.46
1	5.90	1.10	McLeod	1.20	1.15	1.12	1.12
None	.87	.23½	Mercury	.26½	.26	.25	.25
None	1.05	.10	Merland	.10	.12	.10¼	.10¼
1	.42	.14	Mid West	.16	.16	.16	.16
None	2.10	.15	Mill City Pete	.22	.19	.19	.19
1	.45	.18	Model	.23	.24½	.22	.24½
1	.91	.37	Monalta	.40	.40	.38	.38
1	.23	.20	Moose M.	.20	....	....	....
1	.10	.05	New Federal	.05	....	....	....
None	2.32	.60½	Nordon	1.02	1.05	.89	.91
	1.42	.92	Do. New	1.05	....	....	....
None	2.10	.47	Okalta	.53	.53	.50	.50
100	45.00	40.00	Do. pref.	42.00	....	....	....
	.25	.04½	Olga Oil & Gas	.07	.06	.04½	.05
1	.33	.11	Petrol	.33	.40	.33	.38
	2.45	1.70	Penn. Pete.	2.30	....	....	....
None	.43½	.09	Ranchmen's	.10	....	....	....
1	.45	.06	Regent	.08	.07	.06¾	.06¾
None	.48	.05	Richfield	.06¾	.07	.06½	.07
None	$5.00	20.00	Royalite	22.50	22.50	21.25	22.00
1	1.46	.50	Sarnia Oil	.50	....	....	....
1	.22½	.07	Signal Hill	.10½	.09	.08½	.09
1	1.30	.35	Spooner	.42	.42½	.41	.42
None	2.10	.30	So. West Pete	.35	.33	.33	.33
None	1.08	.09½	Sterling Pac.	.10	.09½	.09½	.09½
1	.60	.20	Turner Valley	.20	....	....	....
None	1.65	.30	United	.36	.38	.36	.38
None	.83	.19	Vanalta	.20	.19	.19	.19
1	.80	.12	Vulcan	.18	.16	.15	.15
None	.15	.02½	Wainwell	.02¾	.03	.02¾	.02¾
1	1.75	.15	Waite Valley	.24	....	....	....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Canam Metal	2c.	....	McIntyre	$1	5.07
Cons. Smelters	$12.50	6.34	Nipissing	30c.	24.79
Dome Mines	$1	12.73	Noranda	$2	8.51
Hollinger	65c.	11.01	Premier	24c.	24.00
Home Oil	25c.	[illegible]	Royalite	50c.	24.00
Inter. Nickel	$1	[illegible]	Teck Hughes	60c.	9.16
Lake Shore	$1.20	5.41	United Oils	5c.	....

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WINNIPEG WINDSOR

P.S. ROSS & SONS Chartered Accountants, Trustees in Bankruptcy, etc.
Established 1879
Montreal Toronto Winnipeg Calgary Vancouver
10 Adelaide St. East, Toronto
Gerald Jephcott, C.A., Resident Partner

BRITISH CANADIAN TRUST COMPANY
Incorporated by Special Ordinance of the Northwest Territories of Canada (1901 Chapter 35) to Act as
Executor, Administrator, Trustee, Guardian — Mortgage Loans, Rental Agents — Authorized Trustee in Bankruptcy
INSURANCE
Managers: BRITISH CANADIAN FINANCE, LIMITED
Office — 321 6th St. S. LETHBRIDGE, ALBERTA — H. D. ROOD, Manager and Secretary

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
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CONTINENTAL LIFE BLDG., TORONTO, CANADA

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
TORONTO OTTAWA WINDSOR
and
CLARKSON, McDONALD, CURRIE & COMPANY
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 Wellington Street West TORONTO

PIPE & ALLEN
QUALIFIED ACTUARIES
Specializing in Pension Fund organization and valuation, statistical analysis and Hollerith tabulation for casualty, fire and life insurance companies.
METROPOLITAN BUILDING - TORONTO

New Issue

$20,000,000

Ontario Power Service Corporation, Limited

5½% First (Closed) Mortgage Sinking Fund Gold Bonds

To be dated July 1, 1930 — To mature July 1, 1950

Principal and semi-annual interest (January 1 and July 1) payable at any branch in Canada (Yukon Territory excepted) of The Royal Bank of Canada, or in New York, or London, England. Denominations: $1,000 and $500, registerable as to principal. Fully registered bonds in denominations of $1,000 and authorized multiples thereof. Redeemable at the following prices and accrued interest, namely: at 105% if redeemed on or before July 1, 1935, and thereafter, if redeemed prior to maturity, at 1% less for each five subsequent years or fraction thereof. Montreal Trust Company, Montreal, Trustee.

Legal investment for Life Insurance Companies under the Insurance Act of Canada.

Cumulative Sinking Fund sufficient to retire 40% of Bonds at or before maturity.

For detailed information we refer to the circular containing letter from Mr. Alexander Smith, President, which has been summarized in part as follows:

The Corporation

Ontario Power Service Corporation, Limited, (a wholly-owned subsidiary of Abitibi Power & Paper Company, Limited) was incorporated under the laws of the Province of Ontario and holds, under lease from the Province of Ontario, a water-power site on the Abitibi River, estimated to be capable of producing 275,000 h.p. of electrical energy. This lease runs for a period of twenty-five years from October 1, 1930, with rights of renewals for two successive periods totalling twenty-seven years, and expires in 1982.

The site, known as Abitibi Canyon Power, is located about sixty-four miles northerly from Cochrane, Ontario. The dam will be erected on solid rock foundation and will be of concrete construction. The power house will be located in the gorge directly below the dam and will contain five generating units of not less than 55,000 h.p. each. Power will be developed under a net head of 237 feet.

Estimated cost of construction is unusually low and total amount of First (Closed) Mortgage Bonds will be less than $73 per installed h.p. Construction plans have been prepared by Mr. George F. Hardy, Consulting Engineer, New York, and have been favorably reported upon by Mr. Albert S. Crane, Consulting Engineer, New York.

Capitalization

(Upon completion of present financing)

	Authorized	Outstanding
5½% First Mortgage Bonds (this issue)	(Closed)	$20,000,000
Common Shares (without nominal or par value)	40,000 shs.	20,020 shs.

Contracts

Ontario Power Service Corporation, Limited, has entered into 40-year contracts under which all of its output of electrical energy from the proposed development will be sold to the Hydro-Electric Power Commission of Ontario and to the Abitibi Power & Paper Company, Limited, respectively, except that the Government of the Province of Ontario may direct that a small amount of power (not over 10,000 h.p.) shall be sold and delivered to other customers. Under the contract with Hydro-Electric Power Commission of Ontario, the Commission will purchase 85,000 h.p. upon completion of the plant not later than October, 1932, this amount increasing annually until a total of 100,000 h.p. is purchased in 1936, and annually thereafter. This contract expires in 1971, with right of renewal by the Hydro-Electric Power Commission of Ontario, until 1982. The Corporation's contract with Abitibi Power & Paper Company, Limited, provides that the latter company will purchase all power produced by the proposed development and not purchased by Hydro-Electric Power Commission of Ontario (or by other customers in respect of not exceeding 10,000 h.p. as specified above). These contracts will be assigned to the Trustee for the bondholders as additional security under the Trust Deed.

Earnings

Upon completion of construction, net earnings of the Corporation for the first seven years of complete operation, available for bond interest and reserves, have been estimated by Mr. George F. Hardy, Consulting Engineer, as follows:

1932-33	$2,172,000	1935-36	2,691,500
1933-34	2,394,500	1936-37	2,758,500
1934-35	2,608,000	1937-38	2,813,500
1938-39	2,868,500		

Annual interest requirements on these Bonds $1,100,000

The Corporation's contract with Abitibi Power & Paper Company, Limited, provides that the latter company shall pay for power held available for delivery to it in each year, a sum which, when added to payments received from the Hydro-Electric Power Commission of Ontario or other customers, shall be sufficient to assure the Corporation of net earnings during the first seven years of operation at least equal to the above estimates, and thereafter as long as any of these Bonds are outstanding, of net earnings as above defined, of not less than $2,868,500 per annum.

The revenues to be derived from the Hydro-Electric Power Commission of Ontario amount in each of the foregoing periods to more than 40% of the estimated total gross revenues. Estimated expenses are small, amounting to less than 10% of gross revenues.

We offer these Bonds, subject to prior sale, for delivery if, as and when issued and accepted by us and subject to the approval of our Counsel, at

Price: 94.22 and accrued interest, yielding 6%

Application will be made in due course to list these Bonds on the New York Stock Exchange.

Wood, Gundy & Company Limited — Guaranty Company of New York, Limited
The Royal Bank of Canada — The Canadian Bank of Commerce — The Bank of Nova Scotia
Imperial Bank of Canada — Banque Canadienne Nationale — Aldred & Company Limited
W. C. Pitfield & Company — Greenshields & Co. — Hanson Bros. Incorporated
R. A. Daly & Co., Limited — Bell, Gouinlock & Co. Limited — Fry, Mills, Spence & Co. Limited
F. W. Kerr & Co. — Aird, MacLeod & Company — Eastern Securities Company Limited
Pemberton & Son Vancouver Limited — Société de Placements du Canada

The information contained in this advertisement is based upon statements and statistics on which we have relied in the purchase of these Bonds. We do not guarantee, but believe the statements herein made to be true.

Insurance for Buyer and Seller

INSURANCE MEN MUST ADVERTISE TO GAIN BUSINESS

Keen Competition for Consumer's Dollar Demands Action

GIVES EXAMPLES

New York Underwriters' Association Joint Campaign Gets Results

"If the consumer's dollar is deserting the life insurance agent because of the insistent and seductive advertising and merchandising methods employed in behalf of other commodities, the way for the agent to lure that dollar back is to practice charms of his own," according to a bulletin issued by the Life Underwriters' Association of the City of New York in an appeal to New York life underwriters to support the advertising programme of the association.

The argument for advertising by life insurance salesmen as a group, and which might also apply to the individual, continues as follows:

The savings banks, the mortgage companies and the great investment houses long ago made this discovery, and today financial advertising is a tremendous field in itself, with its own experts, its own copywriters, its own sales techniques. During just about the time it took financial advertising to grow from the mere placing of lawyer - written bond and stock offerings and accountant-written financial statements, to its present great importance in the modern business field, the number of security holders in this country has increased from a few thousands to tens of millions.

Cannot be Ignored

Advertising is a force, which even the most conservative business can no longer ignore. It is becoming almost impossible to interest the superior type of salesman in any product that is not consistently and aggressively advertised, for it is becoming more and more difficult to open doors that advertising has not already opened.

"Is it not, time to ask why life insurance, which is rightly counted among the basic necessities of nearly every life, should be more difficult to sell than almost any other commodity? Why should it not attract, in the main, more of the better type of salesman? Why does the voice of the average modern business man suddenly turn cold at the mere mention of 'life insurance?'

Still Use Old Methods

"We maintain that it is because life insurance, alone of the great modern businesses, is trying to sell its wares with the selling methods of the nineteenth century. Those who are competing with life insurance for the average dollar of the average man, are investing money every year to buy the best advertising space and to employ the finest advertising skill, to carry their appeals into offices, into clubs and into all manner of places where their salesman or themselves could never penetrate."

An interesting folder is also enclosed reproducing six advertisements of the association with a letter accompanying each advertisement from one of six leading underwriters on the use to which they would put the advertisement in soliciting a prospect. The six underwriters have a total of some $9,000,000 a year in written business. Among the six is included Nelson M. Way, C.L.U. of the Canada life. Mr. Way's approach was based on an advertisement featuring an endorsement of life insurance, "Carrying plenty of life insurance is a good insurance for sleep." over the signature of Joseph P. Day. Mr. Way's approach was as follows:

"If you did not notice the endorsement of Joseph P. Day, I would like to have you glance over this advertisement which appeared in today's paper. Mr. Day is an excellent example of a strong believer in life insurance. I imagine his reason is similar to what a wealthy man gave me recently. He said, 'My estate fluctuates naturally with stock market quotations, and also with large business deals from time to time. I therefore consider that I would like to buy warrants on any good stocks for a few cents on the dollar when they are down, and in the last analysis, the few cents on the dollar I put into life insurance become warrants on my life and my earning ability for my family.

"'In short, it is the only method by which a small rate of interest creates capital; and finally humanlike, I am able to spend for our present enjoyment, knowing that I have utilized the most modern financial method of replacing my exceptional earning capacity, and at the same time this same life insurance serves as the most economical method of transferring my estate in an efficient and orderly manner, should I live to complete my plans of life.

"'That is killing two birds with one stone'."

Licenses Issued

Ten insurance companies received licenses, during the two weeks ended July 22, to transact additional classes of insurance in addition to the classes for which they were already licensed in Canada.

Chicago Fire & Marine Insurance Co. has also been licensed to transact in Canada the business of fire insurance, sprinkler leakage insurance, tornado insurance and insurance against damage of any kind caused by the explosion of natural or other gas. J. Thibaudeau, Montreal, has been appointed the company's Canadian chief agent.

The list of additional licenses as issued by G. D. Finlayson, superintendent of insurance for the Dominion is as follows:

Royal Insurance Co. — Insurance against loss of, or damage to, buildings by hail.

Hudson Bay Insurance Co. — Insurance against loss of, or damage to, buildings by hail.

Newark Fire Insurance Co.—Insurance against loss of, or damage to buildings by hail.

Queen Insurance Co. of America — Insurance against loss of, or damage to, buildings by hail.

Bankers & Traders Insurance Co. — Insurance against loss of, or damage to, buildings by hail.

Queensland Insurance Co. — Insurance against loss of, or damage to, buildings by hail.

Ætna Casualty & Surety Co.—Automobile insurance, excluding insurance against loss of, or damage to, an automobile by fire. In addition to guarantee insurance, for which it is already licensed.

Union Assurance Society Ltd.—Insurance against loss of, or damage to, buildings by hail.

Merchants Marine Insurance Co. — Insurance against loss of, or damage to, buildings by hail.

Employers' Liability Assurance Corp. —Insurance against loss of, or damage to, buildings by hail.

Insurance Inklings

H. E. W. PHAIR, of Winnipeg, western supervisor of investments for the Imperial Life recently made a trip through Saskatchewan with A. C. FROOM, manager for Saskatchewan, inspecting the company's investments in that province.

F. J. GILLESPIE, M. J. Gillespie, C. E. Mahon, L. J. Walker and W. S. Mahon, of Vancouver, are attending the Excelsior Life convention in Niagara Falls, Ont.

H. F. MURRAY, has been appointed branch manager of the Ottawa agency of the North America Life Assurance Co. J. D. MURRAY of the same branch recently received the title of C. L. U.

The ten leading individual producers for the Mutual Life of Canada, excluding agency members, up to June 30 are as follows: F. H. McLEAN, Toronto; G. B. STEWART, Montreal; A. LEVIN, Montreal; J. S. MILLS, Toronto; W. R. SMITH, Toronto; T. H. DICKINSON, Toronto; J. V. TREBELL, Toronto; D. T. FRASER, Belleville; C. D. REID, Montreal; and E. GERMAIN, Quebec.

The Mutual Relief Life Insurance Co. announces the appointment as superintendent for western Canada of F. W. TAYLOR of Winnipeg, formerly superintendent of agencies for the Western Empire Life.

The Mutual Relief also announces the opening of a downtown agency at Kingston, Ont., under the managership of R. H. DAVIDSON, and the appointment of F. G. Bryson of Ottawa as manager for the City of Ottawa and the Gatineau district and DONALD MacLEOD, formerly of Montreal, as manager for the London district.

The appointment of EDWIN PRESTON as district manager at Windsor, Ont., is announced by the Excelsior Life Insurance Co. Mr. Preston succeeds the late E. H. WILSON.

F. MARSH has been appointed agency manager for the Province of British Columbia for the Columbia Life Assurance Co.

C. H. Carpenter, formerly general manager of the National Life Assurance Co. has become associated with RUDOLPH DUNBAR as joint branch manager of the Los Angeles agency of the Canada Life Assurance Co.

GILBERT PRIDEAUX has been promoted to the position of district manager at Princeton, B.C., for the Confederation Life Association.

HAYDEN, STONE & Company, Boston, remark: "Weakness in commodity prices dominates the situation. After becoming apparently stabilized a few weeks ago, these have again gone downward. Wheat, copper, sugar, and cotton have touched new lows; rubber, and coffee are hovering around the low figure. Of these, sugar, copper and rubber are not only at pre-war figures —they are selling at the lowest prices on record. Nothing is to be gained in trying to minimize the seriousness of this situation. Such prices affect very severely the purchasing power of a considerable proportion of our population. Even in the case of these commodities which we do not produce in this country, such as rubber, coffee and tin, the drop in price presents a serious problem for these companies handling them as raw material or merchandise. While this is, so far as we are directly concerned, only an inventory problem and therefore temporary, it is an equally serious situation to those countries producing such commodities. This is, in short, a world-wide condition affecting the producing power of people everywhere, and therefore, influencing our foreign as well as domestic business. Just as soon as it becomes evident that this downward trend in commodity prices has been halted, we believe we may look for rapid improvement, but so long as it persists, the psychological as well as actual influence is too great to overcome."

Vancouver Ex. Building Rented, Fully Occupied

Stock Exchange Building Corp., however rentals may be in some Vancouver office buildings, reports income as of June 25, 1930, to be running at the annual rate of $132,966, expenses at $46,630 and net income at $86,606, 2,612 times the amount necessary to pay interest on $550,000 6 per cent first mortgage bonds.

The original estimate by S. W. Miller, president, when the bonds were first offered in March, 1929, by McLeod, Young, Weir & Co., was that the net revenue would be $68,344 or 2.07 times bond interest, and on December 1, 1929, it was reported that income was at the rate of $75,688 or 2.29 times earnings.

There has therefore been a steady increase in earnings through the troublous times since last summer. The Vancouver Stock exchange is housed in the building on a 15 years' lease and many brokers are housed in it as well. It is reported that the expenses include depreciation on building and furniture. The trust deed calls for an annual sinking fund, payable monthly from Febraury 1, 1931, sufficient to redeem 60 per cent of the bonds at their maturity on February 1, 1944.

The building was fully occupied as of July 18, 1930.

INSURANCE HEADS' 1930 CONFERENCE AGENDA COMPLETE

Provincial Superintendents Meet in Edmonton in August

FINAL PROGRAMME

Meeting Will Continue Work Accomplished During Past Year

Final arrangements for the thirteenth annual conference of the Association of Superintendents of Insurance of the Provinces of Canada are nearing completion and the final programme for the meeting has now been issued. The conference will be held in Edmonton from August 25 to 27, inclusive. The meeting last year was held in Toronto in conjunction with the National Convention of Insurance Commissioners of the United States.

Following addresses of welcome by Hon. R. G. Reid, provincial treasurer of Alberta and minister in charge of the Alberta insurance department, and Mayor Douglas of Edmonton, to which B. A. Dugal, vice-president of the association and superintendent of insurance for Quebec will reply. S. B. Woods, K.C., will address the conference on "The Development of the Idea of Insurance and of the Law Relating Thereto."

A good attendance is expected at the conference and eastern representatives will leave Toronto, August 16, proceeding to Fort William, via boat from Sarnia, and spend several days preceding the conference at Jasper Park.

The programme of the 1930 conference includes the following business which arises largely from previous conferences and the work of the various committees during the past year:

Statutory Conditions in Life Contracts — Report by the special committee (British Columbia and Saskatchewan) appointed at the 1929 conference.

(a) To examine into the suggestions made at the conference that such provisions as are contained in section 126 of the Britsh Columbia Insurance Act may need amendment and in what respects;

(b) To study the provisions relating to disability insurance which the National Convention of Insurance Commissioners decided at their meeting in Toronto should be put into effect and to prepare for the next conference a draft of such provisions as may appear suitable for adoption by this association;

(c) To examine into the questions raised by the report regarding Sec. 31 of the British Columbia Insurance Act. and if it appears that such provisions are inconsistent with the disability and double indemnity policies in use in Canada, to propose amendments thereto;

(d) To ascertain what power exists under the insurance acts in force to promulgate any such provision as is mentioned above by way of regulation, and if necessary to draft a section conferring such power.

Presented by H. G. Garrett and A. E. Fisher.

Proposed Uniform Act for Licensing of Life Agents—Further consideration of draft bill embodied in report of 1929 conference and further report thereon. Presented by H. Brace and R. L. Foster.

Proposed Amendments to Uniform Life Insurance Act—including appendix digesting all amendments proposed. Presented by R. L. Foster and A. E. Fisher.

Automobile Insurance Legislation — Consideration of amendments to uniform provincial insurance legislation respecting contracts of automobile insurance, consequent upon enactment of amendments to motor vehicle laws (so-called safety responsibilty legislation) by Ontario and Manitoba.

Consideration of rights of third-party claimants against insurers.

Presentation of forms of modified written application for garage and sales policies promulgated by association.

Review of proceedings before Ontario Automobile Insurance Rates Enquiry Commission.

Presented by R. L. Foster and H. Heath.

The Credit Evil and Free Insurance—Report by special committee (Manitoba and Quebec) appointed at 1929 conference to investigate and report.

Presented by H. Heath and B. A. Dugal.

Fire Insurance Legislation—General review of provincial fire legislation with particular reference to newly-enacted Nova Scotia fire insurance legislation.

Presented by A. E. Fisher and H. Brace.

Annual Statement Blanks—Report of standing committee on blanks.

Presented by H. Heath.

Uniform Definitions—Report by British Columbia respecting proposed definitions not yet settled.

Presented by H. G. Garrett.

Consideration of committee reports.

On Monday afternoon, Tuesday morning and Wednesday morning, there are open business sessions for further consideration of committee reports, and on Wednesday afternoon there is a private executive session.

A banquet is being tendered by the Alberta government on the evening of August 25, which will be followed by a dance given by the Superintendents of Insurance of the provinces. Other entertainment has also been arranged.

ONTARIO STEEL'S PROFITS DECLINE IN LATEST YEAR

Revival of Auto Production Would Help Company

Earnings of Ontario Steel Products Co. for the fiscal year ended June 30, 1930, showed a marked decline over earnings for 1929, the figure for 1930 being 51½ cents per share while in 1929 each share earned $1.77. The company blames a slowing-up of business for the unsatisfactory year. The earnings are, however, slightly better than would appear from the above figures, since there have been 6,000 more common shares outstanding throughout the past fiscal year, making the total outstanding common shares aggregate 51,588.

Working capital of $820,257, while lower than last year, leaves the company in a satisfactory position from this standpoint.

During the year, the expansions and improvements at the Chatham division have been completed, and the special bank loan made in connection with these additions, and reported in last year's balance sheet, has been retired.

Inventories Lower

Inventories of merchandise at $213,722 show a decline of 36 per cent from last year's inventory account, and depreciation showed an increase of $8,363 at $92,210.

The dividends, however, have been maintained at the regular rates of 7 per cent on the preferred and $1.60 on the common, and the regular quarterly dividends on these shares have been declared payable August 15 to shareholders of record July 31.

In view of the fact that the company's products consist of a number of automobile parts, a considerable improvement in this company's position can be expected with any improvement in the automobile industry. Among its various products the company makes spades, shovels, mining tools and automobile parts. The following is a comparison of working capital position and income and surplus accounts at the close of the last three fiscal years:

	1930	1929
Current assets	$915,303	$1,116,451
Current liabilities	95,046	142,931
Working capital	$820,257	$973,520

Income and Surplus Account
Years Ended June 30

	1930 $	1929 $	1928 $
Gross earnings	169,181	237,980	201,092
Less:			
Depreciation	92,210	83,848	76,251
Bond int. and S. F.	48,000	48,000	48,000
Net profit	28,971	106,132	76,841
Less:			
Pref. divd.	25,221	25,221	44,962
Common divd.	82,540	83,680	†58,970
Surplus for year	*78,790	*2,769	*27,081
Add:			
Previous surplus	464,206	464,063	470,653
Profit on bonds sold	......	2,912	......
Less:			
Additional inc. tax	1,096	......	......
Balance car. forw.	384,320	464,206	464,062

*Deficit.
†Includes bonus on common shares of 1 per cent, amounting to $7,500.

B. Cordage Preferred Admitted to N. Y. Curb

In line with other stocks of Canadian companies which have been showing considerable activity in a year of low business confidence, the first preferred stock of $25 par value of Brantford Cordage Co. has been admitted to unlisted trading privileges on the New York Curb Exchange. The stock has on Canadian stock exchanges shown a relatively more favorable position than in 1929 when the stock fluctuated between 19 and 24. In 1930 the stock has not been lower than 20, it has been as high as 24 and it is selling currently around 22.

The company's fiscal year ends August 31, and there is therefore only three weeks to run before the year ends. A great part of the year the plant has been running at capacity for ten hours daily, and it was expected that its maximum annual output of 20,000 tons might be reached.

National Light Wants Moose Jaw Franchise

From Our Own Correspondent

MONTREAL.—Opposition to the application of Dominion Gas & Electric Company for natural gas franchises in all of the cities of Saskatchewan, is seen in the request of the National Light & Power Company to the Moose Jaw city council to keep open the market until the company has had time to carry out certain work.

In its application the company states that, having already made some geological surveys, it is of the opinion that there was gas bearing strata in the province and that it held sufficient quantities of gas to supply the city. National Light, further, is prepared to spend a minimum of $50,000 on geological exploitations of the fields. The company also expressed a willingness, should gas be located, to pipe from the fields to the city and to install a network of distribution lines.

Dominion Gas & Electric Company, on the other hand, has drilled some 19 holes in different parts of Saskatchewan and was unsuccessful in its search for gas.

TWIN CITY ASKS LOWER VALUATION

Proposes Plan Which Would Add $2.25 Per Share on Common

Twin City Rapid Transit Co. has proposed a new system of computing its personal property taxes which is likely to save the corporation nearly $500,000 annually.

Such a saving, if translated into increased earnings, would mean about $2.25 a share annually on the 220,000 shares of common outstanding.

Acting on the advice of its attorneys, the transit company has asked the Minnesota State Tax Commission to take the assessing of its personal property from the hands of local city and county assessors. In addition it asks the state commission to make the assessment on the basis of the market value of the company's stock, instead of on the physical value of the property used for rate making purposes. As Twin City stock is now about $10 on the market, this would mean a large reduction.

Heretofore, the St. Paul Railway and Minneapolis City Railway, principal subsidiaries of Twin City Rapid Transit, have been assessed on personal property by the respective local authorities. Under a state law passed in 1913, and not followed until now, the transit corporation is entitled to have the assessments determined by the state tax commission.

Under the new policy, Twin City Rapid Transit reports a full valuation of $12,108,000 compared with $28,693,000 in 1929. The assessable valuation becomes $4,516,000 instead of $11,079,000. If the State Tax Commission upholds these figures, it will mean the company will pay only about $330,000 in St. Paul and Minneapolis in 1930, against nearly $800,000 in 1929.

T. Julian McGill, company vice-president, said the new policy is based on the principle that for taxation purposes, personal property of a public utility is worth what a willing buyer would pay for it. The only accurate indication of this figure, he asserted, is the market value of the company's stock.

Assessing officials of St. Paul and Minneapolis will confer with State Tax Commission on the transit company's proposal, and undoubtedly will oppose it.

B. C. Mineral Output Off

A report of Hon W. A. McKenzie, minister of Mines in British Columbia, shows an increased quantity production in the aggregate of minerals and metals, though the dollar gross value dropped from $34,122,722 in the first half of 1929 to $29,909,487 for the half-year of 1930.

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Operating in Manitoba, Saskatchewan, Alberta and British Columbia
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Canada's Largest Fire Mutual
FIRE LIGHTNING WINDSTORM
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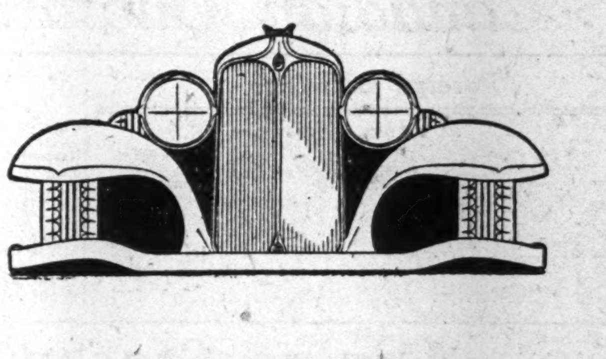

WALTER P.
CHRYSLER
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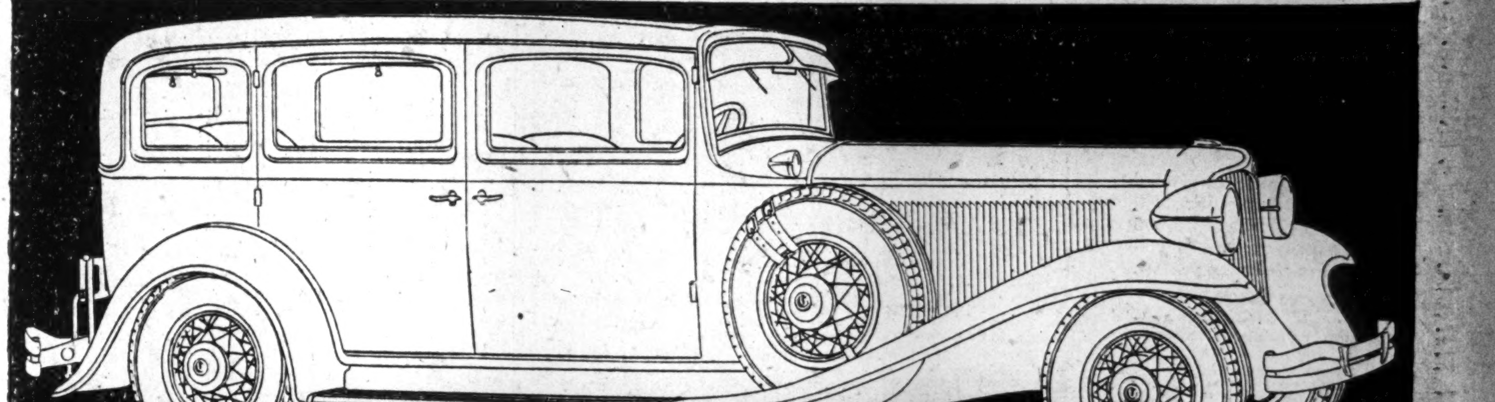
In our progress there is no departure from fundamental principles.

To maintain public approbation, we must give always finer, more dependable, more dynamic car performance—must offer always greater value. as well as cars better suited to the needs of modern transport.

Thus, our latest Chryslers—the new Chrysler Eight and the new Chrysler Imperial Eight—containing as they do, outstanding engineering and style improvements—are, we believe, milestones along the course of automobile progress.

We are proud and eager to submit these cars to the inspection and test of the public.

W. P. Chrysler



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Current Events in Banking World

Minor Banking Profits Change to Small Losses

Strong Competition Causes Service Extensions on Which Charges Are Inadequate—Canadian Banks Lack Cost Accounting System

By J. H. SIMPSON,
The Canadian Bank of Commerce, Seattle, Wash.

They used to be called minor profits but with the extension of banking service they have become minor losses. Foreign and domestic exchange; commissions on collections; charges for keeping current accounts and securities and commissions on stock and bond trading for customers. These are the sources from which banks should reap profits, small in the particular case, large in the aggregate, but from which the income tends to be quite incommensurate with the labor and out-of-pocket expenses involved.

The average person thinks banking is an enormously profitable business; basing his thought on the fact that we take his money at 3 per cent and lend it at six, seven, or even more. Sometimes we don't pay him any interest at all.

But if it were as easy as that, why does any bank ever fail? The reason, of course, is that the profit on a thousand good loans may be wiped out entirely by the loss of one bad one. Wherefore it behooves banks to look to their little sheet anchors—minor profits.

Object to Charges

The average customer sees no justification for a charge of 50 cents monthly for keeping his current account. Perhaps we have only ourselves to blame for this attitude of mind toward us; John Citizen does not expect his garageman to sell him gasoline at the price he pays for it nor does he expect sugar at wholesale prices from his grocer. But he does seem to regard any profit made by a bank as extortion, save only interest on loans. Competition between banks—the thing of which there is not supposed to be enough—is responsible for the public's attitude.

The charge on current accounts is the particular bête noire. Now, in point of fact, this charge, as levied in Canada, is only about half the charge made by American banks. The standard American charge is $1 a month on all accounts running below $100. And they contend, and show figures to prove it, that their charge is too low rather than too high.

The Trust Company of New Jersey has made a comprehensive study of the matter. They calculate that every item deposited with them, costs, averaged, 3½ cents. Against this they figure 85 per cent of moneys deposited as being available for loaning at an averaged rate of 5 per cent. This 5 per cent rate is arrived at, presumably, by taking into consideration not only the commercial loans of the bank but the "secondary reserves" call loans, bond investments, balances with correspondent banks, etc. On this basis the figure is slightly higher than the value rate set by Canadian banks.

On this basis the New Jersey bank finds that in the case of an account in which the average cleared balance is $100 and in which the total number of items (cheques charged and cheques, etc. deposited) during the month is 30, their profit, assuming they charge $1 for service, is only 30 cents. Raise the number of items to 40 and the 30 cent profit becomes a 5 cent loss.

Nor is there any collateral benefit. Not one in a hundred of such customers borrow; couldn't if they wanted to. It seems therefore that unless we want to set ourselves up as a curiosity—the only philanthropists in the business world—we must charge the small depositor for carrying his account.

It is also apparent that we cannot allow the pernicious practice of checking against savings accounts to extend to small accounts—say under $1,000—without running into the red. It is bad enough to carry an account at a loss without paying interest for the privilege.

Touching the other divisions of minor profits — or losses — it might be said that foreign exchange, which some years ago was a profitable business, has died down to a humdrum affair. Rate-cutting has been rife. Of course there is still a profit, but it is largely eaten up in the cost of supervising this intricate division of banking and the cost of maintaining balances abroad.

Exchange on cash items—as out-of-town cheques are sometimes obscurely termed—is a life-saver to many branches but here again the forces of competition have tended to seriously reduce income. "Par privileges" have become common—perhaps because of the par privileges so widely in force in the United States. In this connection the remarks of J. A. Pondrom, president of the First National Bank of Dallas, Texas, are interesting:

"Obviously many, many of the failures (among country banks in the United States) are directly attributable to the loss of earnings occasioned by the 'par collection system,' and it should occasion no surprise to find that thousands of other banks similarly situated are struggling along with insufficient earnings."

Many a small-branch Canadian manager could verify that this cash item exchange, if taken away, would make the difference between a small profit on the year's operations of his branch and a small loss. Or perhaps not so small a loss. Of course the thing would not show up in Canada as it has shown up in the United States, because the branch would not fail—its loss would just be patiently borne by Head Office and set off against a profit made somewhere else. The whole virtue, in a word, of the Canadian branch system. But that is no argument in favor of losses.

Collection Charges Low

As for collections—well, compare the commissions charged by the chartered banks with those charged by solicitors, collection agents, etc. Fifteen cents as against, perhaps, $5. The profit on the sale of $5,000 worth of bonds may seem an item worth considering, but if the $5,000 has been withdrawn from the savings department the whole operation, from the banker's point of view, is suicidal. Touching on safe-keeping of securities, here again we find that the Canadian scale is less than the American. For the risk and trouble involved at least $1 per annum per $1,000 bond should be charged, and is commonly charged in the United States. While on the subject of safe-keeping it should be noted that safety deposit boxes are no gold mine. Only with volume is a return received which is anything like commensurate with the cost of installation and service.

Minor profits never actually appear on a branch's books as minor losses because as yet there is no comprehensive system of cost-accounting in the Canadian banks. The collection department, for instance, is not charged with a proportion of rent, light, heat, salaries, etc. Consequently the collection department may seem to be doing quite well when actually it is far in the red. Similarly with the other side-line departments.

Montreal City Bank Building New Office

From Our Own Correspondent

MONTREAL.—Montreal City & District Savings Bank have commenced construction of a new uptown office building, which will be completed about May 1, next. The plan calls for a two story building of stone and hammered bronze. It will be set on a foundation capable of supporting additional eight stories and a tower two stories high, should it later become advisable to superimpose this structure.

Safe deposit plans allow for a department separate from the rest of the banking room. There will be eight private compartments and space for tables. Heavy polished steel grill will guard the entrance to the department. The vault will have 5,000 boxes.

Good ventilation will be assured the basement and sub-basement by the installation of an electrical equipment for moving the air. The banking floor will be ventilated by flues and natural circulation. Throughout the construction will be fireproof. The frame is to be of structural steel and reinforced concrete.

Bank Advertising Display Makes Use of Electric Eye

The "Westinghouse Electric eye" was recently put to good use in bank advertising by the Fidelity Union Trust Co. of Newark, N.J. A lobby display made use of the "electric eye" to choose from a moving line of small figures those that were thrifty from those who were not. Each time the "eye" detected a spendthrift figure it was directed down the road to failure while the thrifty figures continued on the road to success.

Point was given to the display by a signal "There goes another spendthrift" as each figure passed down the road to failure. Prominent in the display was the statement "If you save your money at this bank you are headed along the Road to Success. Spenders are bound for Road to Failure."

The "electric eye" is a photo-electric cell of great sensitivity which is actuated by any interruption to an invisible ray of light. It has been used for many different purposes including the protection of vault doors through the sounding of an alarm when some intruder comes within its range.

Old-Established Banks Will Merge in Scotland

A merger between the Royal Bank of Scotland and William Deacon's Bank has been provisionally arranged with the approval of the British Treasury. The Royal Bank of Scotland was founded in 1727 and has an issued capital of £2,500,000 and deposits of some £46,235,129. Williams Deacon's Bank dates from 1833 and adopted its present title in 1901. It has an issued capital of £8,125,000 of which £1,875,000 is paid up, and deposits of £31,512,691. Each bank operates in separate areas and will maintain local autonomy.

Shareholders of Deacon's Bank have been offered stock of the Royal Bank of Scotland in exchange for their holdings.

Monthly Bank Clearings

Eastern Cities

	July, 1929	July, 1930
Halifax	$19,071,154	$ 17,209,638
Moncton	4,591,025	....
Saint John	15,226,572	....
Sherbrooke	4,482,187	4,064,078
Quebec	34,076,170	32,229,387
Montreal	753,447,231	593,163,989
Ottawa	35,723,865	32,229,387
Kingston	4,567,534	4,484,516
Peterboro'	4,369,318	4,725,191
Toronto	614,223,645	471,064,977
Hamilton	29,748,161	25,773,708
Brantford	7,363,956	5,109,854
Kitchener	5,870,686	5,028,615
London	15,641,375	14,438,099
Chatham	3,280,722	2,973,341
Sarnia	3,895,060	3,081,832
Sudbury	....	5,160,924
Windsor	30,507,791	17,826,584

Western Cities

	July, 1929	July, 1930
Fort William	$ 5,511,134	$ 4,067,879
Winnipeg	352,758,020	228,441,228
Brandon	3,307,183	2,297,994
Saskatoon	12,736,458	10,341,758
Regina	27,510,835	20,363,324
Moose Jaw	6,643,764	5,097,660
Prince Albert	2,402,482	1,958,854
Medicine Hat	2,178,878	....
New Westminster	4,508,475	3,990,175
Vancouver	102,122,950	84,830,230
Victoria	13,650,292	12,194,197
Calgary	47,258,338	30,176,722
Edmonton	....	24,743,283
Lethbridge	....	2,477,533

Weekly Bank Clearings

Eastern Cities

	Aug. 1, 1929	July 31, 1930
Moncton	$ 879,606	$ 800,670
Sherbrooke	857,854	654,918
Quebec	7,527,969	5,741,337
Montreal	143,275,862	109,884,884
Ottawa	6,640,257	6,130,947
Kingston	....	956,578
Peterboro'	....	756,566
Toronto	115,475,421	85,901,945
Hamilton	6,382,656	4,856,399
Brantford	1,235,956	916,876
London	2,338,030	2,765,018
Chatham	677,921	503,293
Sudbury	....	1,019,403
Kitchener	1,186,072	947,529
Sarnia	....	515,603
Windsor	5,859,366	2,994,338

Western Cities

	Aug. 1, 1929	July 31, 1930
Fort William	$ 1,076,646	$ 647,844
Winnipeg	75,156,190	45,768,600
Brandon	641,338	483,999
Calgary	....	6,064,196
Saskatoon	2,939,856	2,083,915
Regina	7,437,013	3,228,545
Moose Jaw	1,312,028	1,037,344
Medicine Hat	332,232	....
Prince Albert	....	398,212
Lethbridge	646,699	496,233
Edmonton	6,068,421	4,231,320
New Westminster	394,294	809,478
Vancouver	22,251,187	16,078,191
Victoria	2,375,079	2,030,962

WEYBURN PRESIDENT DIES IN CALIFORNIA

Alexander Simpson Was Native of Scotland—70 Years Old

From Our Own Correspondent

WEYBURN.—Alex Simpson, president of the Weyburn Security Bank, died at his home in Hollywood, Cal., on Sunday, at the age of 70 years. He had been in failing health for the last two years.

The late Alex Simpson has been president of the Weyburn Security Bank since it was established in 1910.

The funeral is to take place at Wheaton, Minn., on Saturday, August 9. Jos. Mergens, Weyburn, vice-president, and H. O. Powell, Weyburn, general manager, of the Weyburn Security Bank, will attend the funeral.

The late Alex Simpson was born near Aberdeen, Scotland. He migrated with his parents about fifty years ago to Traverse County, Minn., where he homesteaded. Later he resided in Wheaton, Minn., until twenty years ago when he took up residence in Minneapolis, where he made his home until five years ago when he moved to Hollywood.

Mr. Simpson is survived by his wife and two daughters, Mrs. R. M. Mahoney, of Winnipeg, and a younger daughter, who resides in the state of Oklahoma.

The Weyburn Security Bank, of which the late Alex Simpson was president for twenty years, now has thirty branches established in Southern Saskatchewan.

Bank Chat

The BANK OF NOVA SCOTIA has opened a branch at Chelan, Sask., with T. W. Seekins in charge.

M. K. PUGSLEY has been appointed manager for the Bank of Nova Scotia at Fort William, Ont.

The IMPERIAL BANK announces the following appointments:

J. SELBY CARTER, formerly attached to the accountant's department, Toronto branch, has been appointed manager, St. Clair Ave. and Runnymede Road, Toronto, branch.

F. TURNER, formerly manager, St. Clair Ave. and Runnymede Road branch, has been appointed manager of the new branch which was opened at Church and Carlton St., Toronto, on August 6.

D. L. McLELLAN, formerly accountant, Church St. Branch and recently attached to the relief staff, has been appointed manager of the new branch, Old Weston Road and Keele St., which is being opened in temporary premises, 748 Old Weston Road, on August 18.

W. R. CUMMING, formerly accountant, Kenora, Ont., has been appointed accountant, Church St., Toronto, branch.

The new office of the Canadian Bank of Commerce at Belleville, Ont., was recently opened officially and citizens of the city turned out in large numbers to inspect the new quarters. SIR JOHN AIRD, president of the bank, F. M. GIBSON, assistant general manager and William Hogg, superintendent of Ontario branches were among the prominent officers of the bank who attended the opening. E. V. ILLSEY is the manager at Belleville where the first branch was established in 1878.

The BANK OF MONTREAL has awarded a contract for the erection of a new branch office at Ashcroft, B.C., which will cost some $11,000. The ground floor will provide accommodation for the staff in addition to banking and vault facilities, and the second story will be used as a residence by the manager.

The BANK OF MONTREAL has opened a new office at Hastings and Main Streets, Vancouver, which will take over the business of branches formerly located at 298 Main St. and 176 Hastings St. East. A garage is maintained at the rear of the branch for the convenience of clients and a bank posting machine has been installed in the savings department. The new structure is modern in every respect and is thoroughly representative of the bank. E. H. GRUBBE, formerly manager at 298 Main St., has charge of the new branch with H. MACKAY, formerly manager at the Hastings St. branch, as assistant manager.

W. G. MONTGOMERY, formerly accountant at the Sparks St. Branch of the Bank of Montreal in Ottawa, has been promoted to be manager of the west end branch in Ottawa.

G. H. STEVENS, manager for the Royal Bank in Victoria, B.C., has been elected chairman of the industrial group of the Victoria Chamber of Commerce, and becomes a director of the organization.

Algoma Steel Corp. Places Order With Westinghouse

Algoma Steel Corp. has placed an order for electrical equipment amounting to some $250,000 with Canadian Westinghouse Co., Hamilton. The order includes a 5,000 h.p. reversing type, adjustable speed mill motor, a flywheel motor generator set, exciter motor generator set and complete ventilating system as well as a circulating oiling system.

The apparatus will be used temporarily to drive a 28-inch three-stand, three-high, rail and structural mill and the equipment will ultimately be moved and permanently installed to drive a 36-inch reversing roughing mill.

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WAKEFIELD
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BRUNSWICK POWER OPERATING PROFITS LARGER LAST YEAR

Heavy Outlay on Plant Feature of Annual Statement

From Our Own Correspondent

MONTREAL.—Operating revenue of New Brunswick Co., controlled by Federal Light and Traction Company, advanced from $843,895 in 1928 to $911,692 in 1929.

Taking the report as a whole, the company made progress last year, but earning power is still insufficient to take care of dividend needs, though the first preferred stock was fully covered for the first time since 1923.

Details of gross earnings show that each department had a higher revenue than in the preceding year. Railway earnings totalled $424,021, compared with $4,129 in 1928; light and power income advanced from $361,920 to $407,184; and gas increased from $77,846 to $80,487. After the deduction of operating expenses, there remained net earnings (including bond and operating revenue) of $252,133. This compares with $227,353.

Preferred in Arrears

During the year a dividend of $4 was paid on the seven per cent first preference stock, as compared with earnings of $7.96. This stock is now in arrears to the extent of 18 and one quarter per cent. Earnings on the second preferred amounted to $2.76, which is in arrears of dividends to the extent of 49 per cent dating from December 1, 1922. The income of $2.76 on the second preferred was after deducting full year dividends on the first preference stock, but not taking arrears into consideration.

Particulars of the income and surplus account for 1929 and 1928 follow:

	1929	1928
Gross Earnings:		
Railway	$424,021	$404,129
Light and power	407,184	361,920
Gas	80,487	77,846
Total	$911,692	$843,895
Operating expenses	655,202	621,746
Net operating rev.	$246,490	$221,149
Add: Non-oper. rev.	5,643	5,204
Total net revenue	$252,133	$207,353
Less:		
Depreciation	40,000	40,000
Bond interest	89,571	90,106
Other int. and discount	37,680	28,264
Income tax	5,237	5,357
Net profit	$ 79,645	$ 63,626
Less:		
1st pfd. dividend	40,000	40,000
Surplus	$ 39,645	$ 23,626
Brought forward	193,732	170,106
Balance	$233,377	$193,732

Working Capital Higher

Liquid position of the company underwent further improvements during 1929, net working capital amounting to $248,130, as compared with $131,215 in the preceding year.

Total assets of the company as at December 31, 1929, totalled $7,627,885 compared with $6,645,398 at the end of the preceding year. Current assets totalled $402,355, or an increase of about $108,000 over the preceding year. Prepaid expenses and unadjusted debit advanced from $20,751 to $42,931. Sinking fund cash shows little change at $5,961. There was a marked increase in the value of plant, property and investments, now outstanding at $7,176,638, up from $6,324,936.

Note Debt Larger

Despite larger expenditure on plant account and widening of activities, current liabilities showed a decline from $163,440 to $154,225.

The large outlay on plant, etc., is reflected in an increase in notes and accounts payable to the Federal Light & Traction Company from $715,774 to $1,635,264.

There is no change of importance in reserve, funded debt or capital stock. The surplus account increased from $193,732 to $233,377.

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Sydney Moves To Obtain Own Power Supply

From Our Own Correspondent

MONTREAL.—The city of Sydney is continuing actively in plans to secure a supply of power independent of that furnished by the Cape Breton Electric Company. To this end it had a report prepared by Surveyer & Company as to the best means to obtain the lowest possible electric rates.

The engineer's report, which has been received by the city, recommends the purchase of electric power from the Dominion Steel and Coal Corporation plant at Glace Bay. It further recommends that the city buy the actual distribution system of Cape Breton Electric Company and distribute its own power.

The report goes on to say, "This procedure would apply with any combination of Sydney alone, Sydney District, or Cape Breton District, and until the total consumption of the district reaches about 15,000,000 kw.h. per year. With this procedure, the city of Sydney could obtain electricity at a much lower rate than actually enforced or proposed by the Public Utilities Commission."

Other plans under consideration are the development of hydro power at Lake Ainslie and establishment of a municipal powdered coal burning power plant at Sydney.

New Brunswick Power Board Decides on Site

From Our Own Correspondent

MONTREAL.—Calling of tenders for the construction of a spur railway line and the reconditioning of lines used for transporting coal to the main line of the Fredericton and Grand Lake Railway, indicated the selection of a site at Newcastle Wharf, in Queen's County, for the new power plant of the New Brunswick Power Commission, which will generate electric energy from slack coal.

The Commission had under consideration three sites, namely, at Minto, on the shore of the Grand Lake near Newcastle Wharf, and at the head of Grand Lake, near the mouth of Salmon River.

The Commission plans will provide an adequate supply of electric power at favorable rates for York, Queen and Sunbury counties, and will also provide a large market for coal from Grand Lake mines.

Public Utility Earnings

MEXICO TRAMWAYS, LIGHT & POWER GROUP

Mexico Tramways Company & Subsidiaries

June	1930 Pesos	1929 Pesos	Increase Pesos
Gross earn.	838,560	907,346	*68,786
Oper. & depr. expenses	902,540	886,841	15,699
Net earn.	*63,980	20,505	*84,485
Aggre. gross from Jan. 1	5,022,770	5,475,379	*452,609
Aggre. net from Jan. 1	*340,390	151,195	*491,585

Mexican Light & Power Company & Subsidiaries

Gross earn.	1,855,190	1,752,030	103,160
Oper. and depr. expenses	990,200	917,511	72,689
Net earn.	864,990	834,519	30,471
Aggre. gross fr. Jan. 1	11,480,584	10,814,234	666,350
Aggre. net from Jan. 1	5,714,410	5,330,636	383,774

* Deficit.

CANADIAN NATIONAL RAILWAYS

June	1930 $	1929 $	Decrease $
Gross	19,405,728	23,016,481	3,610,753
Op. exp.	17,160,860	20,409.850	3,248,990
Net	2,244,867	2,606,630	361,763
6 months			
Gross	109,311,988	130,843,819	21,531,831
Or. exp.	98,002,775	109,138,048	11,135.273
Net	11,309,212	21,705,770	10,396,558

Manitoba Power Company

	June 1930	June 1929	Inc.
Gross earn.	$115,190	$104,389	$10,801
Oper. expenses	25,036	24,752	284
Net earn.	$ 90,153	$ 79,636	$10,516

Totals for six months ending June 30, as compared with 1929:

	1930	1929	Inc.
Gross earn.	$679,076	$644,031	$35,045
Oper. expenses	150,558	146,170	4,387
Net earn.	$528,518	$497,860	$30,657

L'Energie Industrielle

	May 1930	May 1929	Increase
Gr. earn. Frs.	13,679,228	10,362,203	3,317,025
Op. expenses	8,178,900	6,433,591	1.745,309
Net earnings	5,500,328	3,928,612	1,571,716

Figures for five months ending May 31, 1930, with comparisons:

	1930	1929	Increase
Gr. earn. Frs.	81,822,221	62,397,891	19,424,330
Op. expenses	46,501,505	39,986,182	9,515,323
Net earnings	35,320,716	25,411,709	9,909,007

L'Energie Industrielle Net Registers Good Increase

From Our Own Correspondent

MONTREAL.—L'Energie Industrielle, in which Foreign Power Securities Corp. is heavily interested, reports a gain in net earnings of 1,571,716 francs for May last as compared with the corresponding month a year ago. Net earnings for the period totalled 5,500,328 francs as against 3,928,612 francs in May, 1929.

For the five months period ending May 31 gross earnings of L'Energie Industrielle totalled 81,822,221 francs, as against 62,397,891 francs in the same period of the preceding year. After taking care of operating expenses, net earnings for the five months period of 1930 totalled 35,320,716 francs, compared with 25,411,709 francs for the corresponding month of 1929.

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Manitoba Power Profit Ahead for Half Year

From Our Own Correspondent

MONTREAL.—Net earnings of Manitoba Power Co., a subsidiary of Winnipeg Electric, showed an increase in gross and net earnings during June, 1930. For the month gross earnings totalled $115,190, as against $104,389 in the same month last year. Operating expenses were practically the same, and net earnings for June this year totalled $90,153, as against $79,636 for that month last year.

For the half year ended June 30, 1930, Manitoba Power's gross earnings totalled $679,076 and net operating income $528,518. This compares with a gross revenue of $644,031 and a net income of $497,860 in the first half of 1929.

Maritime Telephone Toll Traffic Heavy for May

From Our Own Correspondent

MONTREAL.—Maritime Telegraph & Telephone Co. reports total volume of toll traffic for May of 137,758 calls, completing another heavy month. This is the highest total for May in the history of the organization, and is an increase of 13,480 calls over that for May, 1929.

The average percentage of completed toll tickets of 92.8 per cent was not as good as the previous month, or as good as the corresponding month of last year, but this, no doubt, was influenced to a great extent by the increased volume of toll business. The average percentage of completed toll tickets "Class A" exchanges was 91.3 and for "Class G" exchanges, 96.8.

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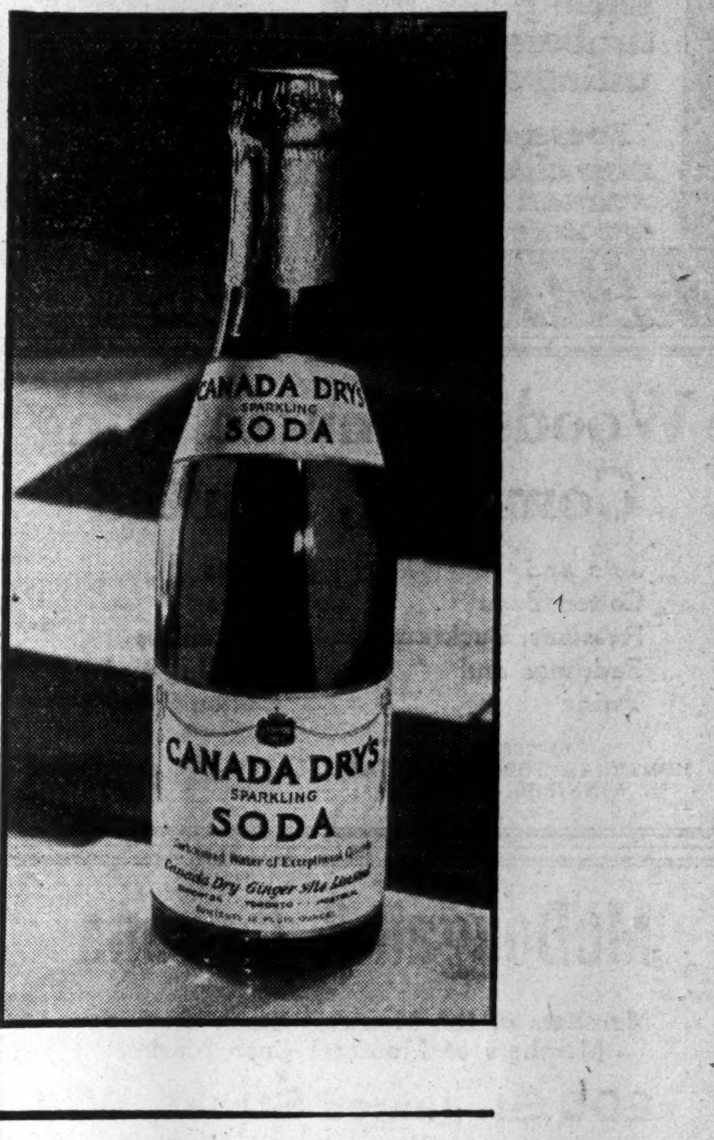

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Canadian Mining News

HOWEY'S OUTLOOK FAR FROM GLOOMY IF OUTPUT STEADY

Result May be Good, Though Course Pursued Long Way 'Round

RED LAKE IS DULL

Little Search Going On, Though Some Argue Other Gold Mines May be in District

From Our Own Correspondent

SIOUX LOOKOUT.—Judging by conversations with various speculators, there is a distinct tendency, among those not wholly familiar with the situation, toward a feeling of almost hopelessness in connection with the Red Lake district. This feeling has followed various and recent developments of the Howey Gold Mines as the latter is regarded as the leader in that section. First of all came the word that the grade was not averaging up to expectations. Next came difficulties with the mill. Next, official figures which show a recovery close to $1.50 per ton lower than expected. This has been followed by the resignation of J. E. Hammell, as president, and A. Wende and Harry Oakes as directors.

Mr. Hammell has always been regarded as the driving force behind Howey. He took Howey out of the gutter, so to speak, and developed it to a stage where substantial profits were assured. First of all, he developed three years' ore (for a mill with 500 tons daily capacity) above the 500 ft. level. To that point his plans had been carried through successfully. His plans called for constructing a mill with 500 tons daily capacity at once so that Howey could pay its way instead of going in the hole, financially. At this point, his plans were blocked. Other plans were adopted. Whether they will work out more satisfactorily or not, remains to be seen. For the moment, the Hammell policy appears like one that would have kept Howey's head above water, so to speak—eliminating the necessity of securing further finances.

Hammell Still Shareholder

Now Mr. Hammell has resigned. In many cases, hopes which had grown shaky were all but shattered. Many are of the belief that the man who was seeing Howey through has quit or thrown it up as a bad job. However, to show that this is wide of the mark, the former president of Howey still holds 500,000 shares. If he had lost hope in Howey, these shares could have been thrown overboard at comparatively high prices, as Mr. Hammell was in a position to know whether Howey was good or bad long before the public.

As explained by Howey's past president, he tendered his resignation because of difference of opinions, in connection with the operation of the mine. Rather than agree to policies which are opposed to his own, rather than stand in the way of these policies which are undoubtedly being carried out for the best, Mr. Hammell stepped aside. He acted in the interests of the shareholders.

With regard to the lower average grade, it should be borne in mind that the widths of the deposits have been opened up to an average approximately double that over which an average of $7 to the ton was estimated. Therefore, the situation at this time, with regard to tonnage and grade, is better than before.

To have two tons of ore averaging $5.50 to the ton is, indeed, much better than having one ton carrying $7. Not only from the standpoint of the value of two tons of $5.50 ore as compared to one of $7 ore, but because of the fact that Howey will be able to operate on a larger scale than previously planned or expected. The higher operating rate will offset the lower grade of ore and will pave the way to lower costs.

May Be Other Mines

In view of this situation, it can be seen that those who have been looking at the dark side of the picture are off on the wrong foot. On the contrary, Howey appears to be standing on the threshold of success. It is possible that it has taken the long and hardest way around, by not starting production at the rate of 500 tons daily when three years' ore had been developed above the 500 ft. level, but this has not robbed the mine of its gold and the outcome will probably be the same.

With regard to the original section of the Red Lake district as a whole, it is important to note that a comparatively small amount of exploration or development has been carried out on properties outside of the Howey itself. Mining men are of the belief that there are other mines, besides the Howey, in this section. Experience has shown that where there is one gold mine there are others.

Inter-City Baking Co. Operations Maintained

From Our Own Correspondent

MONTREAL.—Operations of Inter-City Baking Co., a subsidiary of Lake of the Woods Milling Co., are understood to be on a satisfactory basis for the current year. The annual statement for the year ended January 31, 1930, showed slightly lower profits than in the previous year, due to special reasons, chiefly in Toronto, where price-cutting and other difficulties affected earnings. Conditions have improved so far this year, and should be reflected in earnings.

At a recent meeting the directors declared a dividend of 2 per cent, or $2 per share; for the six months ended July 31, 1930, payable August 25 to shareholders of record July 31.

This is the third declaration; a dividend of 4 per cent was paid for 1928, and a similar payment for 1929. The company apparently, has decided to make dividend payments semi-annually instead of annually as in the past.

Oswald & Drinkwater Admit Partner to Firm

From Our Own Correspondent

MONTREAL.—Oswald & Drinkwater, members of the Montreal Stock Exchange and Montreal Curb Market, announce that William Hendrie Hayes has been admitted to partnership in the firm. The firm is now composed of: Malcolm C. Oswald, C. Graham Drinkwater, Sydney G. Crafton, F. Hubert Fairbanks, James B. Weir, W. Hendrie Hayes.

The business will continue under the name of Oswald & Drinkwater.

Information as to Ore Proved by Teck-Hughes Is Shareholders' Right

Official Statement on Plans For Mill Expansion Needed to Confirm or Deny Rumors Circulated on Behalf of Brokers

David R. Thomas, mining engineer, a letter from whom was published in The Financial Post on July 31 respecting Teck-Hughes, returns to the attack with the statement that the company is not doing its duty by its shareholders, in that it fails to give as much information as is available regarding the ore reserves at the mine.

The Financial Post reminds its readers that Teck-Hughes long has been noted for the paucity of its information, in comparison with the information available as to other companies. This is particularly true with respect to the Kirkland Lake camp, of which Teck-Hughes is one of the most important parts. Managements of other properties, one or two of which are as good properties as is Teck-Hughes, are glad to collaborate for the benefit of the whole camp. Not so Teck-Hughes.

Request is Reasonable

While The Financial Post is willing to give publicity to well-reasoned letters from shareholders, it is not in so doing necessarily endorsing the views expressed by letter writers.

The object in publishing this letter is to direct the attention of Teck-Hughes directors to a condition which seems as unnecessary as it is unwise. Whatever Mr. Thomas' personal feelings, it remains that criticism adverse or otherwise cannot alter the value of the Teck-Hughes ore underground. And it is not unreasonable for a shareholder of the company to ask the directors to state what are the ore reserves—how much ore there is broken and exposed on three sides.

It is recognized, of course, that a mining company cannot state with any degree of accuracy how much ore there is on its property. Mr. Thomas and shareholders who think as he does have not been asking that,—they merely wish to know how much ore has been broken and how much has been exposed on three sides. This is not an unreasonable request.

The Financial Post also believes that it is time that the directors of Teck-Hughes informed the shareholders exactly what extension of milling capacity is planned and will be carried out.

Mr. Thomas' letter follows in part:

Editor The Financial Post:

To show further the arbitrary attitude of the Teck-Hughes board towards the shareholders, I will say that at the last annual meeting when I asked for information on ore reserves I was laughed at. When I asked for information on the geographical distribution of the shareholders I was told to go to the transfer agents and pay, with emphasis on pay. I expect that before the next annual meeting I will be asked for my proxy along with the rest of the shareholders and when I go to the meeting for a little information I will be given the cold shoulder to the extent that the law will permit.

What is Wanted

1. The average amount of information given out by similar mining companies such as Lake Shore, Wright Hargreaves, Dome, Hollinger and McIntyre.

2. The ore reserves should be published and the location of the blocks given. This is a safeguard to the shareholders. Nearly all reliable mining companies do it, and why not Teck? Unlike many companies the Teck is well supplied with a technical staff.

3. The blocks or pillars of ore that cannot be mined during the life of the current ore reserves should be specified. This is a safeguard to the shareholders against a possible revision downward of the ore reserves similar to the Hollinger muddle.

4. The stope production should be given. This gives the shareholder an opportunity of following where the production is coming from. Other mines are giving this information, why not Teck?

5. A resume of the classification of ore reserves, and an expression of opinion on ore expectation beyond the known reserves. Many mines have only expectations and they give the information, then why not Teck? Is the mill increase justified by the three years ore supply that the manager stated the company possessed, without some considerable expectation beyond the known ore reserves? Why keep the shareholders in mystery on this point?

The next article will deal with the annual meeting.

David R. Thomas.

Toronto, Aug. 4, 1930.

Your Mining Stocks; Their Present Status

Clancy Consolidated
Slocan Rambler

Canadian Mines from A to Z in Crisp Weekly Reviews

What are the most promising mining stocks? Which ones are unattractive? The purpose of this series of analyses is to enable the investor to appraise his present holdings and to choose the most promising stocks to add to his list.

The Financial Post proposes to summarize the present position of every listed mining stock in Canada. The stocks chosen will be those quoted weekly in the table of mining stock quotations published in The Financial Post. Others will follow week by week until the entire list has been discussed.

In this series of articles no attempt will be made to publish other than facts and opinions based on those facts. The purpose of the series is not to arouse false hopes nor to create dissatisfaction with any stocks but frankly to analyze the present position of each stock and each mine.

CLERICY CONSOLIDATED

Clericy Consolidated Mines operates as a holding and exploration company, the nature of which precludes its shares from being considered other than a gamble.

The company has been active in exploration work, and during 1929 examined ten properties, all of which with the exception of a lead-zinc property in Kentucky, have been dropped as not being sufficiently attractive to warrant further expenditure.

On December 31, 1929, current assets exceeded current liabilities by $37,609, which represents the working capital to continue work during the current year.

The authorized capitalization of the company is 4,000,000 shares of no par value, of which 2,632,164 are outstanding.

The future possibilities of the company rest in its ability to obtain a property of importance with its limited working capital remaining.

SLOCAN RAMBLER

Shares in Slocan Rambler Mining Co. have about passed off the board, as far as trading is concerned, which together with last sales of around one cent per share, indicates all or more than they are worth.

The company was formed to acquire a former lead-zinc producer in the Slocan mining division of British Columbia and was being further developed until its sponsors, Stobie, Forlong & Co. went into liquidation.

Shareholders are advised not to expect any return from their investment.

PROSPERITY MINE JUNE NET PROFIT ABOVE AVERAGE

Produces Silver at Profit Despite Low Market Price

The production and financial statement of the Prosperity Mine, Premier's latest subsidiary, for June, shows production for this month of 1,760 tons, having a gross smelter value of $54,972, which, after deducting production costs of $29,605, and adding adjustments of $280, leaves a net profit of $25,647 for the month.

While these figures for May are not at hand, a comparison with the April report shows that the production in tons was greater in June by 362, but a decrease in average values of the ore from $38.50 to $32.37 caused a decrease of $3,465 in the net profit.

The net profit for June is, however, considerably greater than the average monthly profit of $18,777 for the last eight months, during which 10,612 tons of ore were mined, having a gross smelter value of $32.37, and from which a net profit of $14.16 was gained. Except for an almost negligible amount of gold recovered, the production values from this property are almost entirely in silver, and since the company is able to operate at a profit in spite of the low price of silver, it is expected the company will be a very satisfactory money-maker when the hoped-for return of higher silver prices becomes a reality.

Dominion Steel's Coal Output Higher for July

From Our Own Correspondent

MONTREAL.—Output of the Dominion Steel & Coal Corp. collieries for July, was 462,584 tons, an increase of 11,702 tons over the previous month of June, but 46,390 tons lower than the tonnage raised in July, 1929.

Dominion Coal Company collieries increased their output by 14,000 tons over June. There was also a slight increase in Sydney Mines Collieries, while the Springhill tonnage was considerably lower. The Acadia Mines recorded a slight increase.

GOOD GAIN SHOWN IN NINE MONTHS BY TECK-HUGHES

Gross Income Increased and Operating Costs Reduced

Operating profit of Teck-Hughes for the first three quarters of the present fiscal year to May 31 is 33 1/3 per cent higher proportionally than that of the fiscal year ended August 31, 1929, as revealed in the nine months' statement just issued.

Gross income for the nine months was $4,167,169, as compared with a gross income for the last fiscal year of $4,980,339, a proportional increase of 11.56 per cent; while operating costs showed a proportional decline of 7.79 per cent, the nine months' figure being $1,506,119, and for the previous fiscal year, $2,177,756.

Dividend requirements for the nine months were $2,149,716, leaving $143,742 to be added to surplus account, or $191,656 on the basis of the nine months.

Recent developments at the mine on the new levels show that the widths of the ore zone are greater than widths on the upper levels, thus eliminating a former fear that the zone had fractured and had widened out to such an extent that high-grade concentration was doubtful. Values on these new levels appear to be about the same as on the upper levels, and with the proposed increase in milling capacity, the company should be able to considerably increase the value of its output at comparatively slight additional operating cost.

Base Metals Operates At Profit, Says Report

Despite the low prices of base metals, on account of which so many of the British Columbia mining companies have had to shut down temporarily, Base Metals Mining Corp. is operating at a profit, according to the June report.

The concentrator treated 7,873 tons of ore, the average grade of which was 8.3 per cent lead, 12.7 per cent zinc, and 3 ounces of silver. Gross profit for the month was $39,643, which, after deducting expenses of $22,353, left an operating profit of $17,290.

NICKEL RIGHTS TERMS OUTLINED TO SHAREHOLDERS

Shares Go ex-Rights on August 8; President Sends Letter

The following letter has been sent to shareholders of International Nickel, outlining the subscription terms of the rights being offered to shareholders as authorized at the special general meeting of the shareholders of the company on July 25:

To the common stockholders of The International Nickel Company of Canada, Limited:

The authorized common stock of your company having been increased as proposed, pursuant to action of the stockholders at the special general meeting held in Toronto on July 25, 1930, your board of directors has determined to offer to the common stockholders of the company additional common shares for subscription pro rata in the ratio of 6 shares of common stock for each 100 shares of common stock held of record on August 7, 1930.

The subscription terms are to be as follows: Common stockholders of record at the close of business on Thursday, August 7, 1930, will be entitled to subscribe for additional common stock without nominal or par value on the following basis:

For each 100 shares of common stock held (and proportionately for less than 100 shares), they will be entitled to subscribe for 6 shares of the additional common stock presently to be offered.

The subscription price per share will be $20 Canadian currency if paid in Toronto or Montreal, $20 United States currency if paid in New York, or £4-2-2¼ if paid in London.

As soon as practicable after the close of business on August 7, 1930, transferable subscription warrants will be mailed to the common stockholders of record at that time evidencing the right to subscribe, and setting out the procedure in further detail. The warrants will be transferable and divisible in New York, London, Toronto and Montreal and may be exercised in any of such cities. The warrant agents will be Bankers Trust Co., New York, Morgan Grenfell & Co., London, The Toronto General Trust Corp., Toronto and The Royal Trust Co., Montreal.

The warrants will expire at the close of business on Saturday, August 30, 1930.

No subscription for fractions of shares will be accepted, and holders of fractional warrants desiring to avail of their fractional rights must either sell them or buy sufficient additional fractional warrants to complete warrants for one or more full shares. Neither the company nor the warrant agents will buy or sell fractional warrants which will presumably be publicly dealt in. For the convenience of stockholders Messrs. Hayden, Stone & Co., New York, are prepared to extend full facilities for dealing with warrants, including fractions.

The warrants will give the holders the alternative of paying in full for subscribed stock, or paying in two installments, in which latter case one-half of the subscription price will be payable at the date of subscription and the remaining one-half must be paid after September 30, 1930, and prior to (but not later than) the close of business November 29, 1930.

Stock certificates, if the subscription has been paid in full, dated as of a date which will entitle the holder to receive the regular September quarterly dividend, will be issued as soon as practicable after payment of the subscription price (but not prior to August 28, 1930). If payment is made in installments, stock certificates will be issued only when the stock is fully paid for but not prior to September 30, 1930. Purchase certificates (not bearing dividends or interest) will be issued in respect of partial payments.

The entire offering has been underwritten through Messrs. Hayden, Stone & Co.

By order of the Board of Directors.
ROBERT C. STANLEY
President.

CANADIAN VICKERS WORKS ON R-100

Give Excellent Delivery on Fabric for Torn Fin

From Our Own Correspondent

MONTREAL. — Twenty-four hours after the R-100 was moored at St. Hubert, Canadian Vickers Limited, delivered the necessary fabric for repairing the fin, which had been damaged during the journey up the St. Lawrence valley.

Canadian Vickers was at one time a subsidiary of the company which built the R-100 in England, namely, Vickers Limited, of which the Airship Guarantee Co. was also a subsidiary. In 1927 Canadian interests assumed control of this company, though close relations between the original parent firm and its subsidiary have existed since that time. Canadian Vickers also built the mooring mast to which the R-100 is secured.

Carrying out the repair work, the Aviation Department of Vickers worked all night to complete the covers from fabric in store at the company's shops. It is slightly heavier than the original fabric on the fins, but it is said that there will be no need of removing this on the ship's return to England.

Considerable satisfaction was expressed by officers of the R-100, for the assurance of such close co-operation from a Canadian firm gave them confidence in the future, knowing that any repairs necessary at the end of subsequent flights would be given the best attention.

Dominion Steel & Coal Announces Executive

From Our Own Correspondent

MONTREAL.—C. B. McNaught, president of Dominion Steel & Coal Corp. and subsidiary companies, announces the appointment of Joseph A. Kilpatrick and H. J. Kelly to the board of directors.

The following directors are officers of the corporation, namely: C. B. McNaught, president; Sir Newton J. Moore, K.C.M.G., vice president; Geo. F. Downs, vice-president; J. E. McLurg, vice president; C. S. Cameron, vice president; H. J. Kelly, vice president.

C. B. McNaught also announces the appointment of C. B. Lang as vice president in charge of steel sales, and of Arthur M. Irvine as vice president in charge of coal sales.

SAY OUTLOOK AT SAN ANTONIO JUSTIFIES MILL

Consulting Engineer Reports Values Fairly High

Recent developments at the San Antonio mine warrant the construction of a mill to have an initial capacity of 100 tons daily, in the opinion of John Reid, consulting engineer, who has just returned from a visit to the property.

In view of the fact that the present plant and mining outfit has reached the limit of its usefulness, the consulting engineer stated it is necessary to consider the importation of electric power from the Central Manitoba station, 17 miles distant, in order to sink the No. 1 three-compartment shaft to the bottom level and connected the same with the present workings; this development would bring the mine into such shape as would warrant the construction of a 100-ton mill.

Say Values Good

The report on developments at the mine gave the 600-foot level as the best of the three, showing a level length of 260 feet, over which the average of the face, back and box samples, is $23.14 over 3.76 feet. A 108-foot raise has been put up from the centre of the ore shoot, inclined at an angle of 65 degrees, showing ore for 80 feet, the average value over 3.3 feet being $16.71. As was found on the 725-foot level, the eastern part of this shoot is the richest, averaging $28.88 over 3.6 feet, as against the western part which gives $17.22 over 3.7 feet.

The 725-foot level has opened up another portion of the same shoot (No. 16) as was found on the 600-foot level, and developments here showed 186 feet of ore averaging $14.86 over four feet at the last visit of the consulting engineer at the mine. Additional work has been done since then, showing an extra 74 feet at the east end, giving values of $22.78 over three feet, or $16.66 over 3.7 feet for the full distance of 260 feet.

Development at the 950-foot level show that the shoot flattens out by about 10 degrees at this lower level. Sampling returns are incomplete from this level, but such samples as have been assayed over 80 feet give values of from $8 to $10 over a width of three feet. Beyond these points the values were found to be somewhat poorer, although latest reports from the mine indicate a slight recent improvement in these values.

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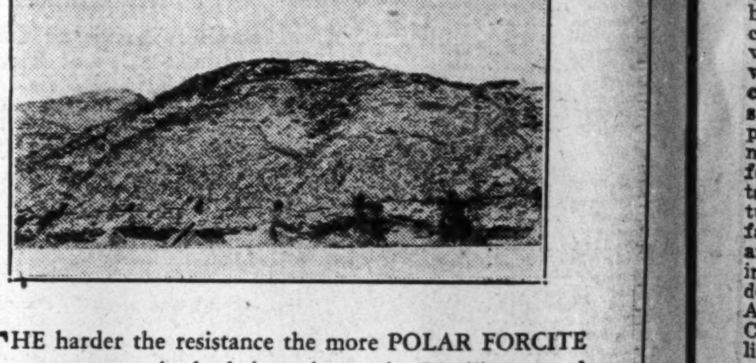
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